

CHAPTER 40

FOREST RESOURCES AND TIMBER UTILISATION

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

SECTION

1. SHORT TITLE
2. INTERPRETATION
3. APPOINTMENT OF OFFICERS

PART II

FELLING OF TREES FOR SALE

4. FELLING OF TREES FOR SALE TO BE LICENSED
5. LICENCE TO FELL TREES FOR MILLING OR SALE

PART III

APPROVED TIMBER AGREEMENTS AFFECTING CUSTOMARY LAND

6. INTERPRETATION
7. APPLICATION TO COMMISSIONER FOR CONSENT TO NEGOTIATE
8. DUTIES OF AREA COUNCIL IN RESPECT OF APPLICATIONS FORWARDED UNDER THIS PART
9. AREA COUNCIL'S DETERMINATION IN RESPECT OF MATTERS RELATING TO APPLICATION
10. APPEALS AGAINST ACT OR DETERMINATION OF AREA COUNCIL
11. COMMISSIONER'S RECOMMENDATION
12. CERTIFICATE OF APPROVAL
13. REGULATIONS
14. ADVICE OF COMMISSIONER AND OTHER OFFICERS TO BE AVAILABLE
15. JURISDICTION IN RELATION TO APPROVED AGREEMENTS
16. POWER TO ENTER CUSTOMARY LAND

PART IV

LICENSING OF MILLS

17. MILLS TO BE LICENSED

18. MILL LICENCES

PART V
TIMBER LEVY

19. POWER TO IMPOSE LEVY ON TIMBER

PART VI
STATE FORESTS

20. POWER TO DECLARE STATE FORESTS
21. RESTRICTION ON GRANT OF INTERESTS IN STATE FORESTS
22. OFFENCES RELATING TO STATE FORESTS
23. PERMIT IN RESPECT OF STATE FORESTS

PART VII
FOREST RESERVES

24. DECLARATION OF FOREST RESERVES
25. NOTICE, ENQUIRIES AND COMPENSATION
26. APPEAL AGAINST COMPENSATION
27. OFFENCES RELATING TO FOREST RESERVES
28. PERMITS IN RESPECT OF FOREST RESERVES

PART VIII
PROCEDURE AND PENALTIES

29. PENALTIES FOR FALSIFICATION OF TIMBER MARKS
30. RECEIVING ILLEGALLY OBTAINED FOREST PRODUCE
31. REMOVAL OF UNAUTHORISED BUILDINGS ETC
32. SEARCH, ARREST, ETC
33. SEIZURE OF PROPERTY USED IN COMMITTING A FOREST OFFENCE
34. FORFEITURE OF PROPERTY AFTER CONVICTION FOR A FOREST OFFENCE
35. POWER TO DISPOSE OF PROPERTY SEIZED WHEN PERSON SUSPECTED OF FOREST OFFENCE IS UNKNOWN
36. SALE OF PERISHABLE PROPERTY
37. APPEAL BY PERSON CLAIMING SEIZED PROPERTY

38. PROPERTY TAKEN POSSESSION OF TO VEST IN CROWN

PART IX
MISCELLANEOUS

- 39. CANCELLATION AND SUSPENSION OF LICENCES AND PERMITS
- 40. EFFECT OF LICENCES AND PERMITS
- 41. NO ACTION TO LIE FOR ACT IN GOOD FAITH
- 42. DECLARATION OF STATE FORESTS AND FOREST RESERVES TO BE REGISTERED
- 43. ACQUISITION OF TIMBER RIGHTS IN CUSTOMARY LAND
- 44. REGULATIONS

SCHEDULE 1

SCHEDULE 2

CHAPTER 40
FOREST RESOURCES AND TIMBER UTILISATION

AN ACT TO CONSOLIDATE AND AMEND THE LAW RELATING TO FOREST RESOURCES AND
TIMBER UTILISATION AND TO CONTROL AND REGULATE THE TIMBER INDUSTRY AND
FOR MATTERS INCIDENTAL THERETO AND CONNECTED THEREWITH

[1st October 1970]

9 of 1969
11 of 1972
16 of 1977
LN 46A of 1978
6 of 1984
8 of 1987
9 of 1989
3 of 1990
7 of 1990
5 of 1991

PART I
PRELIMINARY

1. This Act may be cited as the Forest Resources and Timber Utilisation Act.

Short title
6 of 1954, s. 2

2.-(1) In this Act except where the context otherwise requires-

Interpretation
LN 46A of 1978
6 of 1984, s. 3

"Commissioner of Forest Resources" means the Commissioner of Forest Resources appointed under section 3;

"enforcement officer" means an enforcement officer appointed pursuant to section 3;

"forest offence" means an offence punishable under this Act;

"forest officer" means a forest officer appointed under section 3 and includes the Commissioner of Forest-Resources and an enforcement officer;

"forest produce" means trees, timber, poles, branches, charcoal, wood ashes, palms, bamboos, canes, climbers, creepers, grass, moss, fungus, lichens, plants or parts thereof, leaves, flowers, fruit seeds, roots, fibres, bark, bark extracts, wood extracts, gums, oils, resins, pitch, sap, latex, rubber, tar, wax, honey, products of animals, litter, humus, earth, sand and stone found in or brought from a state forest or forest reserve and such other things as the Minister may by notice declare to be forest produce;

"land-use plan" means a plan for the use of land for agriculture, livestock, reafforestation, post-logging development, aquaculture, or for infra-structure for any of the aforesaid things, and includes a plan for such other use of land as the Minister may, by legal notice, published in the Gazette, declare in this behalf;

"livestock" includes asses, bulls, cows, geldings, goats, horses, stallions, mares, mules, oxen, pigs, sheep and steers and the young thereof;

"mill" means a sawmill and includes any mechanically powered plant, machinery or equipment for converting unmilled timber into milled timber, but does not include any plant, machinery or equipment which the Minister may by notice declare not to be a mill for the purpose of this Act;

"milled timber" includes sawn timber, wood particles, wood pulp and veneer, produced in or by a mill;

"state forest" means a state forest declared under section 20;

"Tambu place" means a Tambu place commonly so called and considered holy, sacred or forbidden by Solomon Islanders;

"timber" includes trees, other than protected trees specified in Schedule 1, when they have fallen or been felled, and all wood whether cut up or fashioned or hollowed out for any purpose or not;

"timber levy" means a timber levy imposed under section 19;

"tree" includes any root, stump, stem, branch, brushwood, young tree or sapling;

"unmilled timber" means timber that has not been converted into milled timber.

(2) In this Act, except where the context otherwise requires, the expressions

Cap. 133

"customary land", "freehold interest in land", "land register", "leasehold interest in land", "public land", "registration" and "Solomon Islander" shall have the respective meanings ascribed to them in the Land and Titles Act.

3. There shall be appointed a Commissioner of Forest Resources, and such number of enforcement officers, forest officers, and other officers as may be necessary for carrying into effect the provisions of this Act.

Appointment of officers
LN 46A of 1978
6 of 1984, s. 4

PART II

FELLING OF TREES FOR SALE

4.-(1) Any person who fells any tree or removes any timber from any land for the purpose of sale thereof or of the products thereof otherwise than-

Felling of trees for sale to be licensed
LN 46A of 1978
6 of 1984, s. 6

(a) for use within Solomon Islands as firewood or unmilled timber;

(b) for supplying logs for milling to a mill licensed under section 18, from within the area that mill is by its licence authorised to draw unmilled timber;

(c) for such other purpose declared by the Minister by notice to be exempt from the provisions of this section; or

(d) under and in accordance with the terms and conditions of a valid licence issued under section 5,

shall be guilty of an offence and liable to a fine of three thousand dollars or to imprisonment for two years or to both such fine and such imprisonment.

(2) Any person who fells a tree or removes timber from any land shall, until the contrary is proved, be presumed to have felled that tree or removed that timber for the purpose of sale.

(3) The onus of proving that a tree has been felled or timber has been removed for any of the purposes specified in paragraphs (a) or (b), or under paragraph (c) of subsection (1), shall lie on him who so alleges.

5.-(1) Upon an application made to the Commissioner of Forest Resources for the grant of a licence authorising the felling of trees upon and the removal of timber from-

Licence to fell trees for milling or sale
6 of 1984, s. 7

(a) any public land, land in which the Government holds a freehold interest in land or leasehold interest in land, land leased by or on behalf of the Government, land in respect of which the Government has a profit to fell and take away trees, and any land contiguous or island adjacent to such land; or

(b) any land, not being customary land, or land to which paragraph (a) applies; and

(c) any customary land, when such felling and removal are the subjects of rights granted under an agreement duly approved by the Minister under Part III,

and upon payment of the prescribed fees for the grant of such licence, the Commissioner of Forest Resources may either accept the application or reject it:

Provided that no such application shall be rejected without hearing the applicant, if he so desires, and without communicating to him the reasons of such rejection.

(2) Where the Commissioner of Forest Resources accepts the application, he may grant to the applicant such licence on such terms and conditions as he may specify therein:

6 of 1984, s. 7

Provided that no such licence shall be granted unless the Commissioner of Forest Resources is satisfied-

(a) that the applicant, who is a foreign investor complies with the provisions of the law relating to foreign investment and applicable to him;

(b) that the applicant has obtained the approved agreement referred to in Part III, when such felling and removal are the subjects of rights granted under that agreement, from any customary land;

(c) that the applicant has agreed-

(i) to comply with such logging methods, and post-logging land-use plans;

(ii) to provide such logging plans specifying such infra-structure facilities;

(iii) to undertake such reafforestation plans with respect to the growth of such forest plants, and such modes of their maintenance; and

(iv) to take such measures for the conservation of catchment areas of rivers and prevention of soil erosion and preservation of environment, Tambu places and sites of historical importance,

as may be specified by the Commissioner of Forest Resources; and

(d) that the applicant will begin the operations with respect to felling of trees and removal of timber therefrom within such time as may be specified by the Commissioner of Forest Resources.

11 of 1972, s. 2

(3) The Commissioner of Forest Resources may, subject to any general or special directions that may be given by the Minister, at any time alter or amend a licence issued under subsection (2) to include or exclude any land contiguous or island adjacent to any public land or land leased by or on behalf of the Government or land in respect of which the Government has a profit to fell and take away trees comprised in the licence.

PART III

APPROVED TIMBER AGREEMENTS AFFECTING CUSTOMARY LAND

6. In this Part, unless the context otherwise requires-

Interpretation
7 of 1990, s. 2

"appropriate Government" means the respective Provincial Executive in the province;

"approved agreement" means an agreement approved under the provisions of this Part;

"area council" means the area council constituted under the respective Provincial Ordinances;

"Commissioner" means the Commissioner of Forest Resources;

"timber rights" include a right to-

(a) inspect, survey, enumerate, mark and map any area or trees;

(b) cut, trim, lop, top and crop any tree;

(c) plant and cultivate any seed, seedling or tree;

(d) take any measure whatsoever for the healthy growth and protection of any tree;

(e) have access to and extract (whether with or without any agents,

servants, workmen, animals, vehicles and machines or all or any of them) any timber or trees;

(f) take any timber into possession or ownership;

(g) for the purpose of any of the things specified in paragraphs (a) to (f), construct and maintain-

(i) any works (including railways, tramways, harbours, port areas, wharves, jetties, bridges, dams, pipelines, aerodromes, yards and camps);

(ii) any buildings and structures (including warehouses, sheds, mills, kilns, offices, houses and fences); and

(iii) any cables, power supplies, lines or other means for the distribution of power, cranes, weightbridges, saw benches or other things;

(h) for any of the aforesaid purposes-

(i) subject to any provisions of the relevant legislation relating to water, to take and use water; and

(ii) to quarry, extract, move and use any stone, earth or other road-making or building material.

7.-(1) Any person who wishes to carry on business in Solomon Islands as a timber exporter or sawmiller, and desires to acquire timber rights on customary land shall make application to the Commissioner in the prescribed form and manner and obtain his consent to negotiate with the appropriate Government, the area council and the owners of such customary land.

(2) When the Commissioner gives his consent to an application made under subsection (1), the Commissioner shall forward a copy thereof to the appropriate Government and to the appropriate area council.

8.-(1) Upon receipt of a copy of the application forwarded to it under section 7, the area council shall fix a place within the area of its authority and a date, not being earlier than two months, nor later than three months, from the date of receipt of the copy of the application for a meeting to be held with the appropriate Government, the customary landowners and the applicant to determine the matters specified in subsection (3).

Application to
Commissioner for
consent to negotiate
7 of 1990, s. 2

Duties of area council in
respect of applications
forwarded under this Part
7 of 1990, s. 2

(2) Notice of the meeting referred to in subsection (1) shall be given within one month of the receipt of the application in a manner the area council considers most effective, to persons who reside within such area and appear to have an interest in the land, trees or timber in question.

(3) At the time and place referred to in subsection (1), the area council shall in consultation with the appropriate Government discuss and determine with the customary landowners and the applicant matters relating to-

(a) whether or not the landowners are willing to negotiate for the disposal of their timber rights to the applicant;

(b) whether the persons proposing to grant the timber rights in question are the persons, and represent all the persons, lawfully entitled to grant such rights, and if not who such persons are;

(c) the nature and extent of the timber rights, if any, to be granted to the applicant;

(d) the sharing of the profits in the venture with the landowners; and

(e) the participation of the appropriate Government in the venture of the applicant.

(4) Any agreement reached pursuant to discussions held under subsection (3) shall be reduced to writing and be forwarded to the Commissioner with the recommendation of the area council with particular reference to-

(a) the quantum of profit sharing, if any, agreed upon; and

(b) the extent of participation, if any, of the appropriate Government, in the applicant's venture.

(5) Upon agreement being reached pursuant to subsection (3), the applicant shall carry out such investigations as are necessary to identify and describe the forest resources on the land and any areas which should be excluded from the application on grounds of environmental or social values.

9.-(1) Where no agreement is reached between the applicant and the customary landowners, the council shall recommend to the Commissioner to reject the application and the Commissioner shall reject the application accordingly.

Area council's determination in respect of matters relating to application
7 of 1990, s. 2

(2) On making its determination under section 8(3), the council shall as soon as practicable-

(a) issue a certificate in the prescribed form setting out its determination;

(b) give the public notice of its determination in the same manner as notice under section 8(2) was given; and

(c) forward the original certificate to the appropriate Government.

(3) On receipt of the duly issued certificate in accordance with subsection (2), the appropriate Government shall forward the certificate to the Commissioner and a copy thereof to the applicant.

10.-(1) Any person who is aggrieved by the determination of the council made under section 8(3)(b) or (c) may, within one month from the date public notice was given in the manner set out in section 9(2)(b), appeal to the customary land appeal court having jurisdiction for the area in which the customary land concerned is situated and such court shall hear and determine the appeal.

Appeals against act or determination of area council
7 of 1990, s. 2

(2) Notwithstanding any provision to the contrary in any other law, the order or decision of a customary land appeal court on any appeal entertained by it under subsection (1) shall be final and conclusive and shall not be questioned in any proceedings whatsoever.

(3) It shall be the duty of the clerk to any customary land appeal court to forthwith notify the Commissioner of the lodging in his court of an appeal under this section and where such appeal is finally determined inform the Commissioner and the appropriate Government of the result of the appeal and forward to each of them a copy of the relevant judgment.

11. On receipt of the certificate issued under section 9 and on being satisfied that-

Commissioner's recommendation
7 of 1990, s. 2

(a) the period for lodging an appeal under section 10 has lapsed;

(b) if an appeal has been lodged, it has finally been disposed of; and

(c) the agreement for the granting of the timber rights referred to in such certificate has been duly completed in the prescribed form and manner and that

the parties to, and the terms and provisions of, such agreement accord with such certificate or, where there has been an appeal under section 10 with the order of the court determining such appeal,

the Commissioner shall recommend to the appropriate Government to grant approval to such agreement.

12.-(1) Upon receipt of a recommendation made under section 11 and the relevant agreement duly stamped, the appropriate Government may complete a certificate in the prescribed form approving the agreement and forward a copy to the Commissioner.

Certificate of approval
7 of 1990, s. 2

(2) The Commissioner on receipt of the copy of the certificate referred to in subsection (1) shall, within fourteen days, notify the parties to the agreement of such completion.

13. The Minister may make regulations for the better carrying out of the provisions and purposes of this Part, and in particular but without prejudice to the generality of the foregoing may make regulations for-

Regulations
7 of 1990, s. 2

(a) the form of application for approval of agreements under this Part;

(b) the form of agreements which may be approved under this Part and the manner in which they are to be executed;

(c) the form of certificates to be issued by area councils under section 9;

(d) the form of certificates issued under section 12;

(e) the fees, if any, to be paid for any act or thing done under the provisions of this Part;

(f) the rates of royalty payments, the method of calculation and the manner of payment thereof;

(g) the disposal of waste products and the protection of the environment;

(h) the manner and nature of reforestation so as to protect the timber industry;

(i) prohibiting or regulating the taking of any specified kind of timber from any customary land; and

(j) the amount of timber, removed from the land that is the subject of the agreement, required to be processed by the applicant.

14. Any person proposing to negotiate the grant of any timber rights affecting customary land may be entitled to seek and to be given, in relation to any question touching on those rights, the advice of the Commissioner or any public officer nominated by him.

Advice of Commissioner and other officers to be available
7 of 1990, s. 2

15. Notwithstanding any provision of any other law to the contrary, original jurisdiction to hear and determine any cause or matter arising out of, or relating to an approved agreement shall be exercised only by the High Court.

Jurisdiction in relation to approved agreements
7 of 1990, s. 2

16. Every enforcement officer and every forest officer shall have authority to enter any customary land to exercise the powers or to perform the functions conferred on him by this Act.

Power to enter customary land
7 of 1990, s. 2

PART IV

LICENSING OF MILLS

17. Any person who installs or operates a mill otherwise than under and in accordance with the terms and conditions of a valid licence issued under section 18 shall be guilty of an offence and liable to a fine of three thousand dollars or to imprisonment for two years or to both such fine and such imprisonment:

Mills to be licensed
LN 46A of 1978
6 of 1984, s. 13

Provided that this section shall not apply to any mill or class or description of mills declared by the Minister by notice to be exempt from the provisions of this section.

18.-(1) Upon application therefor and payment of the prescribed fee and subject to any general or special directions that may be given by the Minister, the Commissioner of Forest Resources may issue a licence to install and operate a mill subject to such terms and conditions as he may therein specify and may, at any time, with the agreement of the licensee, alter or amend the licence.

Mill licences
LN 46A of 1978
6 of 1984, s. 5 & s. 14

(2) Every licence issued under subsection (1) shall specify-

(a) the area or areas from which unmilled timber to be milled at the mill may be drawn;

(b) the maximum quantity of unmilled timber that may be acquired or milled or the maximum quantity of milled timber that may be produced, during any specified period, and, without prejudice to the power to specify terms and conditions under subsection (1), every licence may specify the maximum quantities to be drawn or acquired from any specified area during any specified period; and

(c) the charges to be levied per cubic metre in the round or in such other manner as may be prescribed, and specified in such licence:

Provided that no such licence shall be issued to an applicant who is a foreign investor, unless he complies with the provisions of the law relating to foreign investment as applicable to him.

(3) Any person who is aggrieved by any of the terms or conditions of a licence issued to him under subsection (1), or by the refusal of the Commissioner of Forest Resources to issue him a licence under subsection (1), may, within two months of being notified of such term, condition or refusal, appeal in writing to the Minister whose decision thereon shall be final.

PART V TIMBER LEVY

19. The Minister may by order-

Power to impose levy on timber
6 of 1984, s. 15

(a) impose a levy on unmilled timber exported from Solomon Islands and on milled timber or timber products exported from or sold in Solomon Islands or milled or produced for the purpose of such export or sale;

(b) impose different levies in respect of different licensees, species of trees, products, grades, places or other circumstances; and

(c) provide for the levy to be assessed on the quantity or value of timber or milled timber or timber products, or otherwise howsoever.

PART VI STATE FORESTS

20.-(1) The Minister may at any time by notice declare any land that is public land, land in which the Government holds a freehold interest in land or a leasehold interest in land, or land leased by or on behalf of the Government, to be a state forest.

Power to declare state forests
LN 46A of 1978

(2) Upon such land or part thereof ceasing to be such land as aforesaid, that land or that part shall cease to be a state forest.

21. The Commissioner of Lands shall not grant any interest or licence in any land comprised in a state forest without the prior written consent of the Commissioner of Forest Resources, and such restriction shall be noted on the land register and no such grant shall be registered until the consent of the Commissioner of Forest Resources has been produced to the Registrar of Titles.

Restriction on grant of interests in state forests
6 of 1984, s. 5

22. Any person who within a state forest otherwise than under and in accordance with a valid permit issued under section 23 or in pursuance of any right which existed prior to the declaration of that state forest (the onus of proving which shall lie on such person)-

Offences relating to state forests

(a) fells, cuts, taps, damages, burns, removes, works or sells any tree;

(b) causes any damage therein by negligence in felling any tree, dragging any timber, lighting any fire or otherwise howsoever;

(c) clears or breaks up any land for cultivation or any other purposes;

(d) resides or erects any building, shelter or structure;

(e) grazes or permits to be grazed any livestock;

(f) has in his possession any machinery, equipment or implement for cutting, taking, working or removing any forest produce, without being able to show that such machinery, equipment or implement is in his possession for a lawful purpose; or

(g) constructs or re-opens any road, saw-pit or work-place,

6 of 1984, s. 16

shall be guilty of an offence and liable to a fine of two thousand dollars or to imprisonment for one year or to both such fine and such imprisonment.

23. Upon application therefor and payment of the prescribed fee, the Commissioner of Forest Resources, and subject to the directions of the Commissioner of Forest Resources, an enforcement officer or a forest officer, may issue a permit authorising any of the acts mentioned in section 22 upon such terms and conditions as the

Permit in respect of state forests
6 of 1984, s. 5 & s. 17

Commissioner of Forest Resources or enforcement or forest officer may therein specify.

PART VII

FOREST RESERVES

24. Where the Minister is satisfied that for the purpose of conserving water resources within Solomon Islands it is necessary or desirable to protect the forest or other vegetation in any rainfall catchment area, he may, subject to the provisions of this Part, by notice declare such area or part thereof to be a forest reserve, and shall in the same notice specify what rights and the extent to which such rights may be exercised in the forest reserve.

Declaration of forest reserves
LN 46A of 1978
6 of 1984, s. 5

25. Before declaring any area to be a forest reserve the Minister shall-

Notice, enquiries and compensation
LN 46A of 1978
6 of 1984, s. 5

(a) cause to be published in such manner as he may in his discretion consider to be adequate or most effective for the purpose of bringing it to the attention of all persons likely to be thereby affected, notice of the intention so to do;

(b) cause to be afforded to such persons an opportunity to make representations thereon; and

(c) cause to be made such enquiries as he may, in his discretion, deem fit for the purpose of ascertaining-

(i) what rights exist in that area and to what extent such rights may be expected to be exercised in the absence of a declaration as aforesaid;

(ii) the extent to which the exercise of such rights could be permitted without prejudice to the purposes of a forest reserve;

(iii) in respect of the extent to which the exercise of such rights could not be so permitted, what reasonable alternative arrangements could be made or what compensation would be appropriate,

and shall, in respect of such rights which cannot be permitted to be exercised, cause such arrangements as aforesaid to be made or such compensation as aforesaid to be paid, within one month of the making of the declaration under section 24.

26.-(1) Any person not permitted to exercise any of his rights in a forest reserve who is aggrieved by the amount of the compensation paid or offered or the alternative arrangements made or offered to be made under section 25, may within three months of the declaration of the forest reserve, appeal to a Magistrate's Court, which may make such order as it considers just.

Appeal against
compensation
6 of 1984, s. 5

(2) Any person who is aggrieved by the order or decision of a Magistrate's Court under subsection (1) and desires to question it on the ground that it is erroneous in point of law may, within two months of the date of the order or decision, appeal to the High Court.

(3) The High Court may, if satisfied that the order or decision is erroneous in point of law, make such order as it considers just.

(4) The order or decision of the High Court and, subject to the provisions of this section, the order or decision of a Magistrate's Court under this section, shall be final and conclusive and shall not be questioned in any proceedings whatsoever.

27.-(1) Any person who within a forest reserve otherwise than under and in accordance with a valid permit issued under section 28-

Offences relating to
forest reserves
6 of 1984, s. 5 & s. 18

- (a) fells, cuts or removes any forest produce otherwise than for his own personal or domestic use;
- (b) clears or breaks up any land for cultivation, or any other purpose;
- (c) resides or erects any building, shelter or structure; or
- (d) grazes or permits to be grazed any livestock,

shall be guilty of an offence and liable to a fine of three thousand dollars or imprisonment for one year or to both such fine and such imprisonment.

(2) Subsection (1) shall not apply to any person acting in exercise of any right specified under section 24, but any person charged with an offence under this section shall, until the contrary is proved, be presumed not to have been a person acting as aforesaid.

28. Upon application therefor and payment of the prescribed fee, the Commissioner of Forest Resources and, subject to the directions of the Commissioner of Forest Resources, an enforcement officer or a forest officer, may issue a permit authorising any of the acts mentioned in section 27 (1) upon such terms and conditions as the

Permits in respect of
forest reserves
6 of 1984, s. 5

Commissioner of Forest Resources or enforcement officer or forest officer may therein specify.

PART VIII

PROCEDURE AND PENALTIES

29. Any person who-

Penalties for falsification
of timber marks
6 of 1984, s. 5 & s. 20

(a) knowingly counterfeits upon any tree or timber, or has in his possession any implements for counterfeiting, any mark used by enforcement officers or forest officers to indicate that such tree or timber may lawfully be felled or removed by some person; or

(b) unlawfully or fraudulently affixes to any tree or timber any mark used by enforcement officers or forest officers; or

(c) alters, defaces or obliterates any such mark placed on any tree or timber by or under the authority of an enforcement officer or a forest officer; or

(d) wastes timber by such acts or operations as are specified in the regulations,

shall be guilty of an offence and liable to a fine of three thousand dollars or to imprisonment for two years or to both such fine and such imprisonment.

30. Any person who receives any forest produce knowing or having reasonable cause to believe it to have been obtained in contravention to this Act shall be guilty of an offence and liable to a fine of one thousand and five hundred dollars or to imprisonment for one year or to both such fine and such imprisonment.

Receiving illegally
obtained forest produce
6 of 1984, s. 21

31.-(1) When any person is convicted of erecting any unauthorised building, shelter or structure or of planting any unauthorised crops in a state forest or forest-reserve, the court may in addition to any penalty it may impose, order such building, shelter, structure or crops to be removed and the land restored to its previous condition within such time as it shall fix.

Removal of unauthorised
buildings, etc.
6 of 1984, s. 5

(2) Any person who fails to obey an order made under subsection (1) within the time fixed, shall unless he satisfies the court that he has used all diligence to carry out such order, be liable to a fine not exceeding one hundred dollars for every day during

6 of 1984, s. 22

which the default continues.

(3) Notwithstanding the provisions of subsection (2), when an order has been made under subsection (1) and not carried out within the time fixed, the Commissioner of Forest Resources may cause the order to be carried out and may recover the expenses of so doing as a civil debt from the person convicted.

6 of 1984, s. 22

32.-(1) Any enforcement officer or forest officer or police officer may without a warrant-

Search, arrest, etc.
6 of 1984, s. 5

(a) demand from any person the production of any authority or licence for any act done or committed by such person in any state forest or forest reserve or in relation to any forest produce for which a licence or permit is required under this Act;

(b) require any person found within any state forest or forest reserve or in the vicinity of such forest, and who has in his possession any forest produce, to give an account of the manner in which such person became possessed of such produce, and may arrest that person if he fails to give a satisfactory account;

(c) arrest any person reasonably suspected of being guilty of a forest offence or of being in possession of any forest produce in respect of which an offence has been committed:

Provided that no person shall be arrested under this subsection unless such person refuses to give his name and address or gives a name and address which there is reasonable cause to believe is false or there is reasonable cause to believe that he will abscond;

(d) seize and detain any livestock found trespassing or found without any person in charge of them in any state forest or forest reserve;

(e) enter any timber yard or mill by day to inspect forest produce therein.

(2) Any enforcement officer or forest officer making an arrest under this section shall without unnecessary delay take or send the person arrested to a police officer, and any police officer making an arrest under this section or to whom a person arrested under this section is taken, shall deal with such person in accordance with the provisions of the Criminal Procedure Code Act relating to persons arrested without a warrant.

Cap. 7

33.-(1) Where there is reason to believe that a forest offence has been committed in respect of any forest produce, such produce, together with all tools, machinery, equipment, boats, conveyances and livestock reasonably suspected to have been used in the commission of such offence, may be seized by any enforcement officer or forest officer or police officer.

Seizure of property used in committing a forest offence
6 of 1984, s. 5

(2) Every officer seizing any property under this section shall place on such property, or on the receptacle, if any, in which it is contained, a mark indicating that the same has been so seized and shall, so soon as may be, make a report of such seizure to a Magistrate.

(3) In any proceedings in respect of a forest offence alleged to have been committed in respect of any forest produce, the averment that any substance is forest produce shall be sufficient without proof of such fact unless the person charged proves the contrary.

34.-(1) When any person is convicted of a forest offence, all forest produce in respect of which such offence has been committed, and all tools, machinery, equipment, boats, conveyances and livestock used in the commission of such offence, shall be liable to be forfeited by order of the court recording the conviction.

Forfeiture of property after conviction for a forest offence

(2) Such forfeiture may be in addition to any other penalty prescribed for such offence.

35.-(1) Where there is reason to believe that a forest offence has been committed by a person who is unknown or cannot be found, any property seized in respect of such suspected offence under section 33 shall be taken possession of and may be disposed of by or under the direction of the Commissioner of Forest Resources, but no such property shall be sold or otherwise disposed of until the expiration of one month from the date of the service or publication of the notice given under subsection (2), or without hearing the person, if any, claiming any right thereto and the evidence, if any, which he may produce in support of his claim within such period of one month, or until after the determination of any appeal under section 37.

Power to dispose of property seized when person suspected of forest offence is unknown
6 of 1984, s. 5

(2) When possession is taken of any property under subsection (1), the Commissioner of Forest Resources, or, subject to the directions of the Commissioner of Forest Resources, an enforcement officer or a forest officer, shall cause notice thereof to be served upon any person whom he has reason to suspect to be interested in the property or may publish such notice in such manner as he deems fit.

36. A Magistrate or an enforcement officer or forest officer may, notwithstanding section 35, direct the sale of any property seized under section 33 and which is subject to speedy and natural decay, and may deal with the proceeds of such sale as he might

Sale of perishable property
6 of 1984, s. 5

have dealt with the property had it not been sold.

37. Any person claiming to be interested in any property seized under section 33 may, within one month from the service or publication of a notice in respect of such property under section 35(2), appeal to a Magistrate against the taking into possession of such property.

Appeal by person claiming seized property

38. When possession has been taken of any property under section 33, and after the expiration of the time limited for appealing under section 37 or the determination of any such appeal in favour of the Commissioner of Forest Resources, such property or the proceeds of sale thereof if sold under section 36 shall vest in the Crown absolutely.

Property taken possession of to vest in Crown
6 of 1984, s. 5

PART IX

MISCELLANEOUS

39.-(1) Where the Commissioner of Forest Resources is satisfied that the holder of a licence or permit issued under this Act has contravened any of the provisions of this Act, or that there has been a contravention of any of the terms of conditions of such a licence or permit, he may by notice in writing cancel or suspend the licence or permit:

Cancellation and suspension of licences and permits
6 of 1984, s. 5 & s. 23
9 of 1989, s. 2>

Provided that no such licence or permit shall be cancelled or suspended without giving such holder of license or permit an opportunity of being heard.

(2) Any person who is aggrieved by the cancellation or suspension of his licence or permit under subsection (1) may within two months thereof appeal in writing to the Minister whose decision thereon shall be final.

40. No licence or permit issued under this Act shall convey or be construed to convey any right which the Government does not have and in particular no such licence shall convey nor be construed to convey any right or authority to enter any private land nor take any action with respect to anything without the authority of the owner of that land or thing.

Effect of licences and permits

41. No action shall lie against any person in respect of any act done by him in good faith in the execution or intended or purported execution of his duties or powers under this Act.

No action to lie for act in good faith

Declaration of state forests and forest reserves to be registered

42.-(1) The Conservator shall furnish to the Registrar of Titles every declaration of a state forest and of a forest reserve and every amendment and cancellation thereof, authenticated in such manner as the Registrar may require, and the Registrar shall note in the land register, in such manner as he thinks fit, every such declaration, amendment and cancellation affecting registered land.

(2) Without prejudice to the power of the Registrar of Titles to require further information, a copy of the declaration purporting to have been made under this Act shall be sufficient evidence to support a note in the land register as aforesaid.

(3) The Registrar of Titles shall not be concerned to note any licence or permit issued by the Commissioner of Forest Resources or any enforcement officer or forest officer under this Act in respect of state forests or forest reserves nor to file in the land registry, nor to furnish certified copies thereof, nor to provide for inspection, any instrument embodying such licence or permit.

43. Nothing contained in section 241 of the Land and Titles Act shall prohibit or invalidate the acquisition by a person other than a Solomon Islander of any right to cut and remove any trees growing on customary land, or of any right of access to or over customary land for the purpose of cutting or removing trees growing on customary land.

Acquisition of timber rights in customary land Cap.133

44.-(1) The Minister may make regulations for the better carrying out of the provisions and purposes of this Act, and in particular, without prejudice to the generality of the foregoing power, such regulations may-

Regulations LN 46A of 1978

(a) provide for the forms of licences and permits to be issued under this Act, the procedure for the issue of such licences and the terms and the conditions to which they may be subject;

(b) prescribe the fees to be paid on the application for a grant of any licence or permit under this Act;

(c) prescribe the form and manner in which returns of timber felled, sawn, or otherwise processed or milled, shipped, or sold shall be made, and may require the holder of any such licence to submit for inspection, books, records and accounts relating to any transactions in respect of forest produce or timber;

(d) prescribe the procedure for payment of timber levies and provide for the effective recovery thereof;

(e) prescribe rates of royalty to be paid in respect of forest produce obtained from state forests or from other land owned or leased by the Government or rates of stumpage to be paid for wastage of timber from a customary land in contravention of the prohibition imposed under paragraph (r), and the method of calculating such stumpage;

6 of 1984, s. 24

(f) prohibit or regulate the taking of any specified kind of forest produce from any state forest;

(g) provide for the survey and demarcation of state forests and forest reserves and for rights of entry upon any land for the purpose of carrying out any such survey;

6 of 1984, s. 5

(h) regulate the marking of timber and the manufacture, use and possession of timber marking instruments;

(i) provide for the standard methods of grading and measurement of timber for export and sale and for the prohibition of the export of timber not of good merchantable quality;

6 of 1984, s. 24

(j) provide for the protection of timber against insect and fungus attack;

(k) regulate the lighting of fires within a state forest or a forest reserve and prescribe the precautions to be taken to prevent the spreading of fires;

6 of 1984, s. 5

(l) regulate the entry of persons into state forests or forest reserves and the periods during and the conditions under which persons may remain therein;

6 of 1984, s. 5

(m) provide for-

6 of 1984, s. 24

(A) requiring the persons licensed under this Act-

(i) to replant trees over land from which they have felled trees and removed timber,

(ii) to construct, repair and maintain roads, pathways and bridges for the purpose of access to such land for felling trees and removing timber therefrom; and

(B) for the closing of such roads, pathways and bridges to persons

or traffic or such persons or traffic as may be specified;

(n) prohibit or regulate the hunting of birds or animals or fishing in any state forest or forest reserve;

6 of 1984, s. 5

(o) provide for the impounding of stray livestock found in any state forest or forest reserve and of any livestock found in any such forest in contravention of this Act, for the costs and fees to be paid by the owner of such livestock and for the disposal of such livestock as are not claimed or for which the costs and fees are not paid;

6 of 1984, s. 5

(p) provide for the regulation of tree felling and timber milling operations;

(q) provide for the safety of persons employed in the timber industry;

(r) prohibit-

6 of 1984, s. 24

(i) the felling and removal of any protected tree declared in Schedule 1;

(ii) wastage of timber caused by such acts or operations as may be specified;

(iii) logging within fifty metres on any side of any river or stream; and

(iv) logging of forests above 400 metres above sea levels;

(s) declare any land whether it is a state forest land or customary land as a sanctuary for the purpose of conservation of flora or fauna, and prohibiting felling of any tree or removal of any timber from such sanctuary;

6 of 1984, s. 24

Provided that no customary land shall be declared as a sanctuary unless it is compulsorily acquired in accordance with the provisions of Part V of the Land and Titles Act as amended by Schedule 2;

Cap.133

(t) prescribe anything by this Act required or authorised to be prescribed.

(2) Regulations made under subsection (1) may also make a provision that the contravention of any such regulation as may be specified in that provision shall be an offence punishable with a fine not exceeding one hundred dollars or imprisonment for a term not exceeding three months, or both, in cases where no such contravention is constituted as an offence for which no penalty is provided, elsewhere under this Act.

6 of 1984, s. 24

SCHEDULE 1

[Section 44(1)(r)]

PROTECTED TREES

1. Rosewood (*Pterocarpus indicus*),
2. Ironwood (*Intsia bijuga*);
3. Ebony (*Diospyros spp.*);
4. Kauri (*Agathis macrophylla*);
5. Nali Nuts (*Canarium indicum*);
6. all edible fruit trees; and
7. any other timber tree as the Minister may, by order, declares to be a protected tree in this behalf, for the conservation of timber producing trees in Solomon Islands.

SCHEDULE 2

[Section 44(1)(s)]

AMENDMENTS TO PART AND PART X OF THE LAND AND TITLES ACT (Cap. 133)

Provisions of Division 2 (compulsory Acquisition of land) of Part V and Part X (Estates) read with such definitions of the words and expressions in section 2 of that Act as have been used in those provisions, of the Land And Titles Act, shall apply to the compulsory acquisition of customary land, for purposes of declaring it to be sanctuary under this Act, subject to the following amendments-

(1) in section 71, in subsection (1)-

(a) substitute "the Minister is satisfied, having regard to the provisions of section 8(1)(a) and (b) of the Constitution, that any customary land is required for declaring it to be a sanctuary under the Forest Resources and Timber Utilisation Act" for "it appears to the Minister that any land is required for any public purposes"

(b) insert the following provisions at the end-

"Provided that before making such declaration, there shall be prior negotiations with the owner of such land:

Provided further that the owner shall have a right of access to independent legal advice throughout the acquisition proceedings:

Provided also that so far as practicable the interest to be acquired in such customary land shall be limited to a fixed-term interest.",

(2) in section 72, substitute "registered customary land" for "registered land" appearing in the marginal heading, and in the text of the section;

(3) in section 73, substitute "any unregistered customary land" for "interests in any unregistered land or land registered as customary land";

(4) in section 74, substitute "appropriate Government as defined in section 6 of the Forest Resources and Timber Utilisation Act" for "Provincial Secretary" wherever it appears;

(5) in section 77,-

(a) in paragraph (a), substitute "registered customary land" for "registered land"; and

(b) in paragraph (b), insert "customary land" after "land is unregistered";

(6) in section 79-

(a) in subsection (2)-

(i) insert "or his lawyer" after "hearing the claimant",

(ii) substitute "reasonable amount of compensation (the valuable consideration of which may take the form of cash or some other form, and may be payable by way of lump sum or by instalments) having regard to all the relevant circumstances" for "such amount of compensation as he may think proper"; and

(b) in subsection (3), substitute "If the claim has been rejected, or the claimant is dissatisfied with the offer, the claimant may, within three months from the service upon him of the notice or the offer as aforesaid, appeal to the High Court for the determination of his right or interest in the land acquired, the legality of taking possession or acquisition of his customary land, the reasonableness of the amount of compensation offered, and the period of time of its payment, and the High Court may, determine and accept the relief claimed, or may reject the same, or may modify the Commissioner's rejection of claim, or his offer" for the words beginning with "If the claim has been rejected" and ending with the words "which may confirm the Commissioner's rejection of the claim or his offer";

(7) for section 84, substitute the following section:-

84.-(1) Where the claimant is furnished under section 81, with an order for payment of compensation, he may, by notice, in writing, given to the Commissioner, choose to obtain from the Commissioner, by transfer or grant, made in his favour, in the manner provided by Part X an estate in land, by paying the price or consideration of that transfer or grant, as the case may be, with the amount of compensation payable to him under that order.

"Right of owner of customary land to purchase estate in land

(2) Where the Commissioner, upon receipt of the notice given under subsection (1), decides to accept the choice, he shall make an offer to the claimant, by notice in writing, the estate in land he proposes to transfer by sale, or grant, as the case may be, identifying such land, and setting out the nature of the estate offered, with the terms and conditions, if any, affecting the same.

(3) Where the claimant accepts such offer the Commission shall make the transfer of the estate as provided in Part X, after receiving the price or the consideration for the transfer, and shall declare such estate in land to be customary land under section 242.

(4) Where the claimant does not receive from the Commissioner the offer referred to in subsection (2) within three months from the date of his notice given under that subsection, the choice made by the claimant shall be deemed to have been refused, and shall take effect as if it has not been made.";

(8) in Part X, section 132(2) to (4), and sections 135 to 142 shall cease to have effect in their application to the estate in land transferred or granted under section 84, and

(9) in section 133-

(a) insert "in land transferred or granted under section 84", after "Every estate"; and

(b) the latter portion of that section beginning with the words "and, in addition" and ending with the words "as he may think fit" shall cease to have effect.

CHAPTER 40

FOREST RESOURCES AND TIMBER UTILISATION

Subsidiary Legislation

THE TIMBER (LEVY AND MILL LICENSING) REGULATIONS

LN 34/1970
LN 41/1988

(Section 44)

[29th May 1970]

1. These Regulations may be cited as the Timber (Levy and Mill Licensing) Regulations.

2.-(1) Application for the grant or renewal of a licence to install and operate a mill under section 18 of the Act shall be made to the Commissioner of Forest Resources and-

LN 41/1988

(a) where the applicant is authorised to fell trees and remove timber Act under a valid licence under section 5 of the Act and such mill is intended to be used to process timber obtained under that authority, such application shall be made in writing, and, subject to such terms and conditions as he shall therein specify the Commissioner of Forest Resources shall issue a licence in the form set out in the First Schedule for a period of three years:

Provided that the Commissioner of Forest Resources may refuse to issue a licence for any period after the expiry of the authority to fell trees and remove timber as aforesaid except so far as may be necessary to mill timber obtained in pursuance of such authority prior to its expiration;

(b) where the applicant is not authorised as aforesaid, such application shall be in the form set out in the Second Schedule, and, subject to the provisions of the Act, the Commissioner of Forest Resources may reject the application or may, subject to such terms and conditions as he shall therein specify, issue a licence in the form set out in the Third Schedule for a period of not less than one year or more than three years:

Provided that in the case of an application for renewal of a licence under this paragraph lodged with the Commissioner of Forest Resources not less than three months before the expiry of the current licence, the Commissioner of Forest Resources shall not reject the application nor impose new terms and conditions unless he serves upon the applicant not less than one month before the said expiry written notice of his intention so to do together with his reasons therefor.

(2) The Commissioner of Forest Resources may require any applicant for the grant or renewal of a licence under section 18 of the Act to provide further information if he considers such information necessary for proper consideration of the application.

3. In considering applications under regulation 2(1)(b) the Commissioner of Forest Resources shall, as far as may be practicable, ensure-

(a) that the main timber tracts of Solomon Islands are preserved from selective

felling and are subjected to systematic working;

(b) that the numbers and distribution of mills are consistent with the development of a stable milling industry;

(c) in consultation with the Commissioner of Lands and the Provincial Secretary concerned, that the applicant has made or should be able to make satisfactory arrangements with the owners of the trees to be milled; and

(d) that the applicant's equipment and arrangements will be adequate for the purpose of producing milled timber of reasonable quality.

4. Without prejudice to the generality of his power to impose terms and conditions, the Commissioner of Forest Resources may incorporate in any licence issued under section 18 of the Act, terms and conditions providing for-

(a) the use of specified or approved marks upon milled timber;

(b) deposits or bonds to secure the payment to the Government of fees, timber levies or royalty;

(c) the installation or operation of equipment or processes for the preservation of timber from insect attack and fungal decay;

(d) the installation or operation of equipment or processes for the seasoning of timber;

(e) the location, layout, machinery and equipment of the mill; and

(f) the quality and standards of milled timber to be produced.

5.-(1) Timber levy imposed upon timber sold in Solomon Islands or exported shall be paid by the seller or exporter, as the case may be, and the Commissioner of Forest Resources shall present accounts of timber levy payable to persons liable to pay the levy at monthly intervals or at such longer intervals as the Commissioner of Forest Resources may consider expedient and payment of every such account shall be made in full within one calendar month.

(2) Where by reason of the failure of any person to make returns or to make accurate or sufficient returns, or otherwise by reason of the absence of returns or other information, the Commissioner of Forest Resources is unable to present an accurate account of any timber levy payable, he may, if he considers any person liable to pay

the levy, according to the best of his judgment determine the amount of the levy payable and present an account accordingly.

(3) Any account presented in pursuance of this regulation shall be presumed to record correctly the amount of timber levy due and owing and unless the contrary is proved shall be deemed to be a debt due to the Government by the person named in the account and may be sued for and recovered by the Commissioner of Forest Resources.

FIRST SCHEDULE reg. 2(1)(a)

NOT TRANSFERABLE Licence No.:

Date of issue:

Date of expiry:

THE FOREST RESOURCES AND TIMBER UTILISATION ACT

THE TIMBER (LEVY AND MILL LICENSING) REGULATIONS

LICENCE TO OPERATE A MILL

(Where the Licensee is already authorised to fell trees)

Subject to the provisions of the Act and any Regulations made thereunder in force from time to time during the currency of this licence and to the undermentioned conditions, licence is hereby granted to [name]
of [address]
(hereinafter called the Licensee) to install and operate mills/a mill at/within [place or area]

Conditions

1. No timber may be milled other than timber from trees which have fallen or been felled within the area covered by [licence or authority]
It shall be the responsibility of the Licensee to ascertain the place in which trees have fallen or

been felled:

Provided that timber from trees which have fallen or been felled outside the said area covered by the licence/authority may also be milled with the specific written approval of the Commissioner of Forest Resources.

2. The Licensee shall keep records of log timber milled and milled timber produced, sold, supplied and exported and the value thereof in such manner and to such extent as the Commissioner of Forest Resources may require and shall render to the Commissioner of Forest Resources such returns of the same at such intervals and in such manner as the Commissioner of Forest Resources may require. All such records as aforesaid shall at all reasonable times be open to inspection by the Commissioner of Forest Resources or any other forest officer authorised in writing in that behalf by the Commissioner of Forest Resources.
3. The Licensee shall ensure that his working practices are safe and shall comply with such directions (if any) as may from time to time be given by the Commissioner of Labour for the prevention of accidents and securing safe working conditions for employees.
4. This Licence is not negotiable or transferable.
5. The Commissioner of Forest Resources may cancel this Licence if the Licensee shall commit an act of bankruptcy or have a receiving order made against him or if distress or execution be levied against the mill/mills licensed hereunder or if proceedings be commenced for winding up the Licensee.
6. The Licensee shall not cease production of milled timber for any period in excess of three months without the prior written approval of the Commissioner of Forest Resources.

Additional Conditions

Commissioner of Forest Resources

Fee Payable: on first issue: \$300

Renewals : Free

G.T.R. No.

Note: The Licensee should study the Forest Resources and Timber Utilisation Act and the Timber (Levy and Mill Licensing) Regulations. Section 39 of the Act empowers the Commissioner of Forest Resources to cancel or suspend this Licence for contravention of any of its terms or conditions or any of the provisions of the Act or the Regulations.

SECOND SCHEDULE reg. 2(1)(b)

THE FORESTS RESOURCES AND TIMBER UTILISATION ACT

THE TIMBER (LEVY AND MILL LICENSING) REGULATIONS

APPLICATION FOR A MILL LICENCE

(Where the Licensee is not authorised to fell trees)

1. Name of applicant:
2. Address of applicant:
3. Date of expiry of previous licence (if any):
4. Details of proposed milling equipment (including power equipment):
5. Proposed annual or monthly production of milled timber:
6. Area(s) from which applicant wishes to draw log supplies (a map is be required):
7. Arrangements made or discussed with owner(s) of trees in the area from which log supplies are to be drawn:
8. Details of proposed equipment for extraction and transport of timber to mill:
9. Details of proposed equipment for treatment of timber against insect attack and decay, and capacity of such equipment:
10. Marks proposed for milled timber produced, including special marks on timber treated against insect attack and decay:
11. Name of mill (if any):
12. Location of mill:
13. Details of mill layout and buildings (plan(s) showing layout to be attached - but details under this item not required if the equipment is to operate as a mobile mill):
14. Value of all proposed equipment:
15. Arrangement (including financial) for obtaining the proposed equipment and putting into operation:

Signature of applicant

Date

(To be submitted to the Commissioner of Forest Resources)

THIRD SCHEDULE

Reg.2(1)(b).

Licence No:

NOT TRANSFERABLE

Date of issue:

Date of expiry:

THE FOREST RESOURCES AND TIMBER UTILISATION ACT

THE TIMBER (LEVY AND MILL LICENSING) REGULATIONS

LICENCE TO OPERATE A MILL

(Where the Licencee is not authorised to fell trees)

Subject to the provisions of the Act and any Regulations made thereunder in force from time to time during the currency of this licence and to the under-mentioned conditions, licence is hereby granted to-

(name)
of (address)
(hereinafter called the Licensee) to install and operate mills/a mill at/within (place or area)

Conditions

1. The Licensee shall only produce sawn timber and shall not produce any other form of milled timber save under and in accordance with the terms and conditions of the prior written approval of the Commissioner of Forest Resources.

2. No timber may be milled other than timber from trees which have fallen or been felled within (area)
It shall be the responsibility of the Licensee to ascertain the place in which trees

have fallen or been felled:

Provided that timber from trees which have fallen or been felled outside the said area covered by the licence/authority may also be milled with the specific written approval of the Commissioner of Forest Resources.

3. The Licensee shall not produce more than (quantity) of sawn timber in any one calendar year without the written approval of the Commissioner of Forest Resources; nor shall the Licensee produce any other form of milled timber in excess of the quantity authorised by the Commissioner of Forest Resources under condition 1 hereof.
4. The Licensee shall not acquire log timber in excess of quantities notified to him in writing by the Commissioner of Forest Resources (which in the opinion of the Commissioner of Forest Resources are sufficient to produce the maximum output of milled timber authorised under conditions 1 and 3 hereof).
5. The Licensee shall have records of log timber acquired, log timber milled and milled timber produced, sold, supplied and exported and the value thereof in such manner and to such extent as the Commissioner of Forest Resources may require and shall render to the Commissioner of Forest Resources such returns of the same at such intervals and in such manner as the Commissioner of Forest Resources may require. All such records as aforesaid shall at all reasonable times be open to inspection by the Commissioner of Forest Resources or any other forest officer authorised in writing in that behalf by the Commissioner of Forest Resources.
6. The Licensee shall ensure that his working practices are safe and shall comply with such directions (if any) as may from time to time be given by the Commissioner of Labour for the prevention of accidents and securing safe working conditions for employees.
7. This Licence is not negotiable or transferable.
8. The Commissioner of Forest Resources may cancel this Licence if the Licensee shall commit an act of bankruptcy or have a receiving order made against him or if distress or execution be levied against the mill/mills licensed hereunder or if proceedings be commenced for winding up the Licensee.
9. The Licensee shall not cease production of milled timber for any period in excess of three months without the prior written approval of the Commissioner of Forest Resources.

Additional Conditions

Commissioner of Forest Resources

Fee payable: \$30 per annum

G.T.R. No:

Note: The Licensee should study the Forest Resources and Timber Utilisation Act and the Timber (Levy and Mill Licensing) Regulations. Section 39 of the Act empowers the Commissioner of Forest Reserves to cancel or suspend this Licence for contravention of any of its terms or conditions or any of the provisions of the Act or the Regulations.

THE FOREST RESOURCES AND TIMBER (PRESCRIBED FORMS) REGULATIONS

(Section 44)

[23rd June 1978]

- 1.** These Regulations may be cited as the Forest Resources and Timber Utilisation (Prescribed Forms) Regulations.
- 2.** Applications to the Commissioner of Forest Resources by any person wishing to acquire timber rights on customary land under section 7 of the Act shall be submitted in the Form 1 in the Schedule hereto.
- 3.** The Certificate issued by an area council under section 9 of Act shall be in the Form 2 in the Schedule hereto.
- 4.** The certificate given by an appropriate Government in accordance with section 12 of the Act that it has approved an agreement for the granting of timber rights shall be in the Form 3 in the Schedule hereto.
- 5.** An agreement for the sale of timber rights in customary land shall be in the Form 4 in the Schedule hereto.

SCHEDULE

FORM 1

FOREST RESOURCES AND TIMBER UTILISATION ACT

APPLICATION FOR APPROVAL FOR NEGOTIATION TO ACQUIRE TIMBER RIGHTS

(Section 7)

(To be submitted to the Commissioner of Forest Resources)

1. Name of Applicant
2. Address of Applicant
3. Present Type of Business (if any)
4. Present Location of Sawmill or Timber Exporting Business (if any)
5. Area(s) within which applicant wishes to carry out logging and acquire timber rights

6. Names of persons and/or land owning groups with whom preliminary discussions have been made regarding land ownership, timber rights and development proposals.
7. Period for which Timber Rights sought.
8. Details of proposed operations
 - (a) Annual volume (cubic metres) of logs to be extracted
 - (b) Approximate area to be logged annually
 - (c) Proposed location of base camp
 - (d) Proposed location of sawmill and/or export port

Signature of applicant

Note (1) The answer to question 5 must be supported by detailed maps showing the areas involved.

(2) "TIMBER RIGHT" includes a right to-

(a) inspect, survey, enumerate, mark and map any area or trees;

(b) cut, trim, lop, top and crop any tree;

(c) plant and cultivate any seed, seedling or tree;

(d) take any measure whatsoever for the healthy growth and protection of any tree;

(e) have access to and extract (whether with or without any agents, servants, workmen, animals, vehicles and machines, or all or any of them) any timber or tree;

(f) take any timber into possession or ownership;

(g) for the purpose of any of the things specified in paragraphs (a) to (f), construct and maintain-

(i) any works (including railways, tramways, roads, waterways, slipways, harbours, port areas, wharves, jetties, bridges, dams, pipelines, aerodromes, yards and camps);

(ii) any buildings and structures (including warehouses, sheds, mills, kilns, offices, houses and fences); and

(iii) any cables, power supplies, lines or other means for the distribution of power, cranes, weighbridges, saw benches, or other things;

(h) for any of the purposes specified herein-

(i) subject to the provisions of the River Waters Act, to take and use water; and

(ii) to quarry, extract, move and use any stone, earth or other road-making or building material.

FORM 2

FOREST RESOURCES AND TIMBER UTILISATION ACT

CERTIFICATE OF CUSTOMARY OWNERSHIP

(Section 9)

1. The Area Cou
considered an application by
under Section 7 of the Forest Resources and Timber Utilisation Act on the
day
of 19.... .

2. The said Area Council contained the following persons having particular
knowledge of customary land rights of the land holding group in the area affected
by the application.

1..... of

2..... of

3..... of

4..... of

5..... of

3. Upon the conclusion of its considerations the said Area Council determined-

(a) that the following persons are the persons lawfully able and entitled to grant
timber rights in the area bounded in red on the attached map being land held by the
Land owning group.

1..... of

2..... of

3..... of

4..... of

5..... of

(b) that the timber rights set out in the First Schedule may be granted by the above persons.

(c) that the rights set out in the Second Schedule may not be granted by the above persons in respect of the said land.

Clerk

Area Council

Dated this day of 19

FIRST SCHEDULE

(Rights which may be granted)

SECOND SCHEDULE

(Right which may not be granted)

NOTE:

"TIMBER RIGHT" includes a right to-

(a) inspect, survey, enumerate, mark and map any area or tree;

(b) cut, trim, lop, top and crop any tree;

(c) plant and cultivate any seed, seedling or tree;

(d) take any measure whatsoever for the healthy growth and protection of any tree;

(e) have access to and extract (whether with or without any agents, servants, workmen, animals, vehicles and machines, or all or any of them) any timber or tree;

- (f) take any timber into possession or ownership;
- (g) for the purpose of any of the things specified in paragraphs (a) to (f), construct and maintain-
 - (i) any works (including railways, tramways, roads, waterways, slipways, harbours, port areas, wharves, jetties, bridges, dams, pipelines, aerodromes, yards and camps);
 - (ii) any buildings and structures (including warehouses, sheds, mills, kilns, offices, houses and fences); and
 - (iii) any cables, power supplies, lines or other means for the distribution of power, cranes, weighbridges, saw benches, or other things;
- (h) for any of the purposes specified herein-
 - (i) subject to the provisions of the River Waters Act, to take and use water; and
 - (ii) to quarry, extract, move and use any stone, earth or other road-making or building material.

FORM 3

FOREST RESOURCES AND TIMBER UTILISATION ACT

CERTIFICATE APPROVING TIMBER RIGHTS AGREEMENT NEGOTIATION

(Section 12)

TO:

1. I certify that the agreement for the sale of Timber Rights by the following representatives of the land holding group in the area of the Province/Island

1..... of

2. of

3..... of

4..... of

5..... of

AND..... of

has been made in accordance with the provisions of sections 7 to 11 of the above Act

2. The Provincial Executive approves the said agreement and authorises the Commissioner of Forest Resources to issue a licence authorising, subject to such terms and conditions he may specify therein, the felling of trees and removal of timber from the said customary land.

Signed

Provincial Secretary

Dated this day of 19

FOREST RESOURCES AND TIMBER UTILISATION ACT

FORM OF AGREEMENT FOR TIMBER RIGHTS

(Section 12)

An agreement for the sale of timber rights shall include the following matters:-

(a) The land holding group (s) shall be specified, and the relevant land boundaries delineated on Ministry of Agriculture and Lands maps at either 1:50,000 or 1:10,000 scale.

(b) Representatives, hereinafter referred to as "the Grantor (s)", authorised to act on behalf of and execute documents relating to the land holding group shall be listed together with their village of residence.

(c) The Company or person seeking to purchase the timber rights shall be referred to as "the Purchaser" or "the Grantee (s)"

(d) The Timber Rights granted under the Agreement shall be deemed to include all those specified in the Schedule hereto except to such extent as they are clearly excluded or modified by the terms of the Agreement.

(e) Any rights or privileges specifically excepted and reserved unto the Grantor (s) shall be specified including-

- (1) rights to specific species of timber trees for use by the Grantor (s).
- (2) Any areas of agricultural crops/or plantations at the time of the agreement.
- (3) Any areas of customary usage, sacred or Tambu places
- (4) Provision for clean water supplies for village established at the time of the agreement.
- (5) Any areas reserved for cultivation by specified villages.
 - (f) The agreed duration of the agreement to purchase timber rights and arrangements for its determination or extension shall be specified.
 - (g) The agreed price and method of payments for timber felled and extracted shall be specified.
 - (h) The agreed compensation for damage or destruction of crops shall be at rates currently specified by the Ministry of Agriculture and Lands.
 - (i) The agreement shall be signed by all persons specified in paragraph 3 of Form 2 of the Schedule to the Forests and Timber (Prescribed Forms) Regulations.

SCHEDULE

"TIMBER RIGHT" includes a right to-

- (a) inspect, survey, enumerate, mark and map any area or tree;
- (b) cut, trim, lop, top and crop any tree;
- (c) plant and cultivate any seed, seedling or tree;
- (d) take any measure whatsoever for the healthy growth and protection of any tree;
- (e) have access to and extract (whether with or without any agents, servants, workmen, animals, vehicles and machines, or all or any of them) any timber or tree;

- (f) take any timber into possession or ownership;
- (g) for the purpose of any of the things specified in paragraphs (a) to (f), construct and maintain-
 - (i) any works (including railways, tramways, roads, waterways, slipways, harbours, port areas, wharves, jetties, bridges, dams, pipelines, aerodromes, yards and camps);
 - (ii) any buildings and structures (including warehouses, sheds, mills, kilns, offices, houses and fences); and
 - (iii) any cables, power supplies, lines or other means for the distribution of power, cranes, weighbridges, saw benches, or other things;
- (h) for any of the purposes specified hereir-
 - (i) subject to the provisions of the River Waters Act, to take and use water; and
 - (ii) to quarry, extract, move and use any stone, earth or other road-making or building material.

FORM 4

FORM OF AGREEMENT FOR TIMBER RIGHTS

(Section 12)

IT IS HEREBY AGREED AS FOLLOWS:-

1. In consideration of the undertaking by the Company contained in this agreement and subject to the condition limitations and restrictions included herein, the Representatives hereby grant to the Company the right to fell harvest and extract timber for sale from the customary lands between and known as and shown edged red in the plan scale of 1:50,000 attached to this agreement.

2. COMMENCEMENT

The Company shall commence logging operations as set out in the licence in the land covered by this agreement not later than

in default of which this agreement shall become null and void.

3. DURATION OF AGREEMENT

This agreement shall remain in force until the execution of a completion Certificate as published for in Schedule C, or the agreement is terminated through breach of its provisions.

4. PROTECTION OF RIVERS & WATERS CATCHMENT

River Waters Act

The Company shall comply in all respects with the provisions of the River Waters Act and shall ensure that all its employees are made aware of their obligation under the Act, in particular section 5 relating to offences and section 6 regarding removal of obstruction and restoration of damage.

5. MINIMUM DISTANCE

There shall be no logging or felling of trees within 50 metres measured along the ground of any main river or water course or 25 metres of any minor watercourse or stream as defined on a 1:50,000 scale topographical map.

6. WATER POLLUTION

All oil, fuel, chemicals and other pollutants shall be stored at a safe distance away from any river or water course in secure conditions with safeguards against accidental contamination of water. No refuse, sewage, rubbish, oil, fuel or other pollutants may be discharged into any river, pond, stream or water source by the Company or any of its employees or sub-contractors. Should any such pollution occur in the area covered by this agreement any inspector appointed under the River Water Act may require the Company to suspend all operations in the said areas until the pollution has ceased and the damage has been rectified.

7. GRAVEL EXTRACTION

Subject to obtaining the permission of individual landowners concerned in respect of each site, the Company may extract sand and gravel from rivers for the construction of roads and for building works necessary to the Company's operations without payment except for any damage caused to economic trees or crops. All such extraction sites must be restored to an environmentally satisfactory condition to be determined by the inspector declared under the River Waters Act, within 3 months of operations ceasing at the site and prior to the execution of a Completion Certificate under this agreement.

8. SLOPES

On any hillside above twenty degree (20°) in slope the Company shall restrict itself to selective felling of regular size logs above 60 cm diameter at breast height. No felling of trees on slopes of 30° and above.

9. ALTITUDE LIMIT

No felling or logging shall be allowed above an altitude of 400 metres above sea

level except in the case of any areas of level land above this altitude for which special exemption has been granted by the Ministry of Lands, Energy and Natural Resources.

10. ROAD CONSTRUCTION

The Company shall construct main roads in accordance with the plan attached as Schedule A hereto. In addition the Company may construct such spur roads and feeder roads as may be necessary in accordance with good logging practice and the need to minimise damage to the environment. Minimum requirement for road construction to include 1 grader and 1 vibrating drum roller.

All roads shall be constructed to the specification laid down in Schedule B attached hereto.

All merchantable trees along all road lines log yards or other sites are to be felled by chainsaw and harvested as logs prior to road construction. Clearance of roadlines by bulldozing prior to felling and extraction of merchantable trees is prohibited.

The Company shall erect road signs that conform with the Highway code at all places requiring caution or reduced speed along all main and spur roads.

11. ACCESS ROADS TO VILLAGES

The Company shall wherever possible connect villages within the area covered by this agreement to the primary road network. Where a road connection to a village is made that is in addition to the Company's requirement for logging operations, the Company shall not be liable to pay compensation for economic crops or trees damaged by the construction of the connecting road.

12. ROAD MAINTENANCE

The Company shall be responsible for maintenance for all main roads constructed in accordance with the plan at Schedule A hereto until the execution of a Completion Certificate in the form set out in Schedule C attached hereto covering all the land included in this agreement. Thereafter the Company shall be responsible only for continuing maintenance of such roads as may be necessary for access to operation in other areas as specified in the Completion Certificate. The Company shall retain right of access along such roads as are laid down in the certificate, subject to performance of its maintenance obligations. Prior to the execution of the Completion Certificate the Company shall carry out thorough maintenance of all the main roads in the completed area and where possible shall leave stock piles of gravel at strategic points for any repairs that may be necessary within the next 5-10 years.

13. BRIDGES CONSTRUCTION

All bridges along main roads are to be constructed in accordance with the specifications shown in Schedule D attached hereto.

The Company undertakes to use durable species in bridge construction for main roads. For the purposes of this clause "durable species" shall mean *Calophyllum*, *Dillenia*, *Intsia*, *Vitex*, *Securinega*.

All bridges along main roads and access roads to villages shall be timber decked as indicated in Schedule D. Either a stockpile of suitable logs stacked to air-dry, or a stand of trees of the durable species shall be left adjacent to each bridge for future maintenance. No payments shall be required of the Company for such stock piled logs.

Fords shall be constructed at each bridge site for use when bridges are under repair.

Abutments to bridges shall be properly constructed and reinforced in accordance with Solomon Islands Government standards for main road log bridges.

14. CULVERTS

All culverts on main or feeder roads shall be constructed of permanent materials. Logs with earth and fill shall not be used for culvert construction.

15. LOG YARDS AND STORAGE OR WORKING AREAS

Topsoil shall be removed and stockpiled from land prior to use for yarding or storage of logs. When operations are completed in the area the Company shall rip furrows to a depth of 5 cm with 1 m between the furrows all over the compacted ground, and spread the topsoil back over the yard.

The Company shall not clear land in excess of reasonable requirements for good logging and road construction practice.

16. LOGGING PRACTICE

The Company shall in all its operations abide by the standard provision of the South East Asia Lumber Producers Association (see Schedules G and H). Good felling and extraction policies shall be practised at all times to the satisfaction of MNR, Forestry Division.

All merchantable timber shall be directionally felled where possible. All merchantable logs must be measured marked and their site of origin recorded for payment at the nearest bush yard to where they were felled. Detailed records must be maintained for reference by inspectors and the representatives when required.

17. PENALTY FOR WASTE

All merchantable logs must be extracted from the bush within 3 months of felling.

A penalty equal to 200 per cent of the total of royalty to the landowners plus government duty payable to the Province and taxes that would have been payable shall be levied in respect of any saleable log that is felled and left in the bush for more than 3 months.

Where on inspection of any area it is discovered that more than twenty per cent (20%) of felling in the opinion of the Forest Inspector and Company representative have been carried out leaving high stumps and split logs, a penalty equivalent to 200 per cent of the total of royalty plus duty and government taxes that would have been payable in respect of the wasted timber by the Company will be charged on the total volume of timber so wasted in the area concerned. Where any penalty has been assessed under this clause the element for loss of royalty shall be payable to the representatives and the element for loss of export duty and taxes shall be payable to the S.I. Government in the normal manner. Logs lost during barging and loading of ships will be subject to the same penalty as for saleable logs left in the bush unless retrieved.

18. EXCLUSION OF SPECIES

The following species are not to be felled or harvested by the Company except where their removal is unavoidable along roadlines or yarding areas.

Canarium

-(selu or Ngali Nu

Gmelina

-(Buti)

<i>Artocarpus</i>	-(Baleho)
<i>Mangifera</i>	-(Kea or Mango)
<i>Metroxilon Solomonense</i>	-(Abia and Ato-Sa)
<i>Terminalia Solomonesis</i>	-(Togoma)
(Any other species) Protected species designated by negotiation made under section 44 of the Forests Resources and Timber Utilisation Act.	

19. LOGGING OF PARTICULAR CLAN AREAS

As far as is consistent with good logging management the Company shall plan its operations to log out each identified clan area in turn, and will as much as possible avoid logging adjacent lands in different clan ownership at the same time.

20. SURFACE DAMAGE

The Company shall exercise strict management control over its equipment operators to ensure that there is no excessive blading or excessive bulldozing of track through the bush.

To minimise ground damage and erosion, pre-felling surveys must be carried out to establish contour skid trials and to demarcate riparian areas as in clause 5 to prevent the felling of trees along rivers and streams. Mangrove species will not be felled for any purpose except where wharves are to be established.

The Company will adopt the use of chokers and will as standard practice when hauling logs by bulldozer drag several logs at once to reduce the number of skidding tracks and minimise surface damage. In wet areas the Company undertakes to use equipment designed for operation in such areas with minimal surface damage and will avoid the use of machines likely to cause serious soil disturbance and compaction.

All skidding tracks descending slopes must be dammed with drainage run offs at frequent intervals immediately after they cease to be in use in order to disperse rain and storm water and prevent soil erosion.

21. REAFFORESTATION

The Company will carry out reafforestation of the land included in the agreement. The Company shall not be required to reforest more than one- third of the area set out in the logging licence, but may offer to increase this proportion should they wish to do so. The area selected for reafforestation shall be agreed and specified after discussion with the Commissioner of Forest Resources and the

Province. The Company shall prepare a detailed plan of operations in whatever form the Commissioner of Forest Resources may direct for his approval as a prelude to the signing of the agreement with the landowners. Subsequent failure to carry out the reafforestation plan of operations to the complete satisfaction of the Commissioner of Forest Resources may lead to the termination of the agreement as provided for in clause 38.

22. PRESERVATIaON OF MATERIAL FOR BUILDING & DOMESTIC NEEDS

The Company undertakes to minimise damage to bamboo, loyer cane, mamafua trees, sago palm, betel nut and similar bush products of use to the landowners for building purposes and domestic needs. The Company shall take particular care to ensure that its employees observe this requirement and do not needless damage or take or use such products from the bush without specific permission in each case from the landowners concerned.

23. PRESERVATION OF VILLAGE SAFETY & ENVIRONMENT

No felling, logging, or other operations shall take place closer than 100 metres from the edge of any village area with the exception of construction of road access.

No road shall be constructed to pass closer than 30 metres from the edge of the carriageway to any existing dwelling-house. Should the terrain make it essential to pass closer than 30 metres, the company shall at its expense relocate the dwelling to a fresh site nominated by the owner away from the road.

The Company shall ensure that appropriate speed limits are imposed, signposted, and observed by its employees near villages.

The Company undertakes to avoid siting any noisy or disruptive operations near village areas.

The Company shall take all possible steps to ensure that its employees observe local customs and do not trespass, steal, behave in a drunken or offensive manner, or commit any offences in village areas. Should any employees misbehave in such manner the Company shall dismiss them forthwith.

24. PRESERVATION OF TAMBU PLACES

It shall be the duty of the Company at least 1 month prior to logging any area to identify and clearly mark both on the ground and on maps any sacred sites, burial grounds, or places of historic, archaeological or cultural importance. All such sites identified shall be clearly marked on the ground by Company surveyors working with landowners by brushing around the boundary, blazing or painting of trees and the posting of notices 'Tambu-Keep out'.

All sites shall be recorded on the Company's maps and copies shall be provided to the

Province and landowners. The Company shall ensure that its employees are made aware of Tambu sites and that they are to be protected from any damage, trespass or theft.

The Company shall be liable to pay compensation in the case of trespass or damage to any Tambu site by its employees, whether within working hours or not, in accordance with the provisions of the Provincial Assembly (Establishment of Protected Areas) By-laws.

25. COMMERCIAL STORES & BUSINESS

The Company shall have the right to operate one Company retail store or Co-operative for its employees in each main company residential area. The operation of such company stores shall not be assigned or licenced to any other person or company except with the prior consent in writing of the landowners of the store site in question. No Company employees or other persons shall be permitted to open stores or conduct any form of business activity (other than contracts directly connected with logging operations provided to the Company only) on the land covered by this agreement. Any proposals for retail or other business ventures shall be subject to direct negotiations with landowners and are excluded from the scope of this agreement.

26. GARDENING, HUNTING & FISHING BY EMPLOYEES

The Company undertakes to ensure that its employees shall not hunt and gather in the bush, fish on reefs or in rivers, or make gardens except with the prior permission of the landowners concerned in each case. Where landowners allow land for gardening it shall be only for employees' personal use and there shall be no marketing or sale of garden produced by company employees.

27. CONTROL OF SETTLERS

The Company shall enforce controls on visits by friends, relatives, and other people staying with employees to ensure that no persons other than Company employees or their immediate families live in the area covered by this agreement for consecutive periods longer than one month.

28. EMPLOYMENT OPPORTUNITIES

Priority for employment shall be given by the Company to people indigenous to the land covered by this agreement in all cases where suitably qualified and experienced persons are available. The Company shall have the right to recruit skilled personnel from other places provided it has first been established that no suitable person is available locally.

All unskilled labour shall be recruited from among people indigenous to Province with priority being given to persons from the area covered by this agreement

29. WAGES & CONDITIONS FOR LABOURERS

The minimum wage for an unskilled labourer shall be \$ per day.

Overtime will be paid at the following rates

Holiday entitlement will be

Accommodation entitlement will be

Rations will be provided as follows

Other benefits will be

30. COMPENSATION FOR DAMAGE TO CROPS

Compensation for economic trees and crops damaged by operations will be paid at the standard S.I. Government rates in force from time to time. The current rates payable are set out in Schedule E attached hereto.

31. ROYALTY

The Company shall pay to the representatives of the landowners by monthly payments a royalty calculated in accordance with the formula set out in schedule F attached hereto in respect of all merchantable timber appropriated by the Company from the land covered by this agreement. The volume of timber on which royalty shall be paid shall be as shown in the Company's production figures at the main log ponds or yards after selecting, grading, across cutting, and cutting out defective material. Measurement of volume shall be calculated from the Company's production figures each month and based upon the average sale price in S.I. dollars per cubic metre received by the Company during that month from sales of logs from the area covered by this agreement. The point of sale for the purpose of calculation of royalty shall be FOB for export sales and at main logs ponds or yards for local sales. The average sale price shall be obtained by dividing the total receipts from each shipment of logs from the area by the total volume of logs in respect of which such receipts have arisen.

In any month where no sales have been completed the Company shall pay a minimum royalty of

32. MONTHLY STATEMENT

The Company shall produce a monthly statement to the representatives with a copy to the Commissioner of Forest Resources showing detailed production figures for the month broken down into species, grades, volumes, and area of origin, together with sales figures showing species, grades, volumes, and FOB prices. The statement shall include details of royalty calculations and payments

made during the month.

33. SALES

Wherever possible all sales of timber by the Company shall be at arms length to brokers or companies which have no connection whatever with the Company or the owners of the Company.

The Company shall produce with the monthly statement of production and sales a copy of the minimum price guidelines for similar timbers applicable to the month in question issued by the Papua New Guinea government, or if this is unavailable for any reason, a statement of comparative prices for similar timbers for the month from an independent and reputable firm of timber agents such as Jardine Matheson and/or North Borneo Timbers.

34. MEHTOD OF PAYMENT

Payment of royalty shall be made only to all the Representatives gathered together and signing jointly in public at a time and place which has been advertised by public notice one week in advance. The company shall produce the statement of volumes, prices and royalty calculations as required by clause 32 of this agreement together with the minimum price guidelines as required by clause 33 above at the time payment is made.

Upon acceptance of the calculations the representative shall sign a receipt for the whole royalty due and
per cent of the money shall then be paid over in cash or cheques and the balance of per cent shall be deposited forthwith by the Company
in a Trustee Account for the

clan/line ↴

Payments shall not be made unless all the representatives are present. Should any of the representatives be absent, the Company shall give those present copies of the statement and royalty calculations, but shall withhold the payment and deposit the total forthwith into the nominated bank account.

35. MEASUREMENT

The Company shall adopt the system of measurement and grading of logs prescribed in Schedules G&H attached hereto.

The Company and the representatives undertake that in the event of any dispute arising between them concerning the measurement of volume and grading of logs under this Agreement they shall submit the same to the Minister of Natural Resources or his nominee whose decision shall be conclusive.

36. ENFORCEMENT

The representatives hereby nominate all Forestry Officers of the Ministry of Natural Resources together with all officers of the Public Solicitor's office and the Provincial Secretary to Province to be their agents for the purposes of monitoring and enforcing the implementation of the terms of this agreement.

The agreement shall be interpreted according to Solomon Islands law and enforceable in the High Court of Solomon Islands.

37. ARBITRATION

In any case of dispute between the landowners and the Company over interpretation of the terms of this agreement it is hereby agreed that the dispute shall be submitted in the first instance to the Landowner's Association for mediation, and should this fail to produce agreement to the Minister of Natural Resources whose decision shall be final.

38. TERMINATION

Should the Company be in breach of its obligations under this agreement the representatives may serve 1 month's formal notice through the Public Solicitor acting as their agent to comply with the obligations, in default of which the Company shall be required to suspend operations in the area forthwith until such times as the obligations have been met.

The Company may at any time serve 1 month's written notice of its desire to terminate its operations in the area covered by this agreement through the Public Solicitor's Office, in which case the Company shall forthwith comply with the requirements to obtain a Completion Certificate and the landowners shall, once the requirements have been carried out, release the Company from further obligation under this agreement.

All notices to comply with the agreement or to terminate it shall be copied to the Ministry for Natural Resources and to the Province.

39. ASSIGNMENT

This agreement and the rights and obligations herein comprised may not be assigned by the Company to any other party except with the prior written consent of the representatives.

Executed at this day of

19

Signed

.....

.....

on behalf of

Signed

on behalf of the
clan/line.

Witnessed

on behalf of

Province

SCHEDULE A

PLAN OF MAIN ROADS

SCHEDULE B

ROADING SPECIFICATIONS

MAIN FEEDER SPUR

Cleared width metres	80	80	60
Carriage width metres	10	5	4
Min. Depth of Compacted			
Surfacing CM 7-10	7-10	as required	
Maximum allowable grade %	8	10	12
Maximum adverse grade %	6	10	12

Main roads shall be constructed for all weather use, be adequately drained and have curves and lines of sight suitable for loaded truck speeds of up to 35 kph. All shade trees shall be kept felled.

No road shall be constructed closer than 50 metres to a river bank except where no alternative route is possible.

Where possible main road orientation and clearing shall be such as to maximise sunlight on the road surface, particularly in areas of damp ground. Drains shall be laid off along main roads at distances of no more than 100 metres apart. Main roads shall be sited to avoid dangerous gradients and bends.

Construction of main roads shall be carried out 3 months in advance of logging operations in any area to allow for consolidation of the road bed.

Feeder roads shall be as for main roads but being single carriageway shall have adequate passing places.

Spur roads are short term roads of short lengths.

SCHEDULE C

LOGGING COMPLETION CERTIFICATE

This certificate is made consequent upon an agreement

dated between (the Company)

of.....

of.....

of.....

of.....

of.....

being the representatives of the.....
clan/line acting on behalf of the clan/line (the Representatives).

WHEREAS

The Company has notified the Representatives that it has completed operations within the land covered by the above agreement with effect from

We the undersigned have inspected the said land to check that the Company has satisfactorily carried out its obligations under the said agreement and the River Waters Act. In particular we have established:

- (1) That all streams and watercourses have been cleared of obstructions, dams, temporary culverts etc.
- (2) That all skidding tracks on slopes have been dammed and drains led off at frequent intervals.
- (3) That all yarding and working areas have been ripped to break up soil compaction and topsoil has been spread evenly back across the disturbed areas.
- (4) That all merchantable timber felled by the Company has been duly extracted and paid for.
- (5) That all oil, chemical or similar pollutants have been removed and all rubbish has been satisfactorily disposed of.
- (6) That all quarries, pits, and gravel extraction areas have been restored to a safe and environmentally acceptable condition, and that any areas of stagnant water created by operations around working areas have been filled or drained.
- (7) That a thorough final maintenance has been carried out of all main roads and roads giving access to villages and to all bridges in the area covered by the said agreement, and that materials for future repairs and maintenance have been left as provided in the agreement.
- (8) That all royalties, penalties, compensation or other payment due under the agreement have been duly received.

NOW THEREFORE IT IS HEREBY AGREED:

That the Company is released from further obligation or benefit under the said agreement save as follows:

- (1) The Company will retain the right of access along the roads from

to
and shall retain the obligation to maintain these roads as provided in the said agreement until

(2) (Insert any other retained obligations)

Signe by

(the Representatives)

Signed by

(on behalf of..... Co. Ltd).

Signed by

(Inspectors on behalf of the Minister for Natural Resources).

Date:

SCHEDULE D

SCHEDULE E

GOVERNMENT CROP COMPENSATION RATES

1. ROOT CROPS

Sweet potato	10 cents per hill
Taro 24 "	clump
Pana24 "	hill
Yam 24 "	"
Tapioca (Cassava)	9 " " plant

2. VEGETABLE

Bush cabbage	33 cents per bush
English cabbage	20 " " plant
Green pepper	10 " " "
Aubergine (Egg plant)	14 " " "
Tomatoes	20 " " "
Beans (all types)	23 " " "
Cucumbers	28 " " "
Water Melon	28 " " "
Pumkin	20 " " "
Sweet Corn	8 " " "
Peanuts	8 " " "
Shallots	45 " " metre row
Radish	42 " " " "
Lettuce	63 " " " "
Chinese cabbage	50 " " " "

3. EDIBLE FRUITS AND NUTS

Seedling	Non-bearing	Bearing	\$SI	\$SI	\$SI
Ngali nut	-		3.30	10.60	

Mango	-	2.80	9.80
Betel nut (chewing)	-	1.66	6.60
Custard apple	-	0.35	2.10
Soursop	-	0.35	2.10
Rambutan	-	0.35	2.10
Guava	-	0.35	2.10
Carambola (5 corner fruit)	-	0.35	2.10
Cut nut	-	0.35	2.10
Bush apple (<i>F. malaccense</i>)	-	0.35	2.10
Citrus	-Seedling category	(a) 50 cents per tree	
-non bearing "	(b)	- cents per tree	
	(a)	5.00 per tree	
	(b)	80 cents per tree	
-bearing "	(a)	8.30	
"	(b)	83 cents per tree	
Breadfruit	-Seedling "	(c) 50 cents per tree	
	(d) -		
-non bearing "	(c) 2.80	per tree	
	(d)	1.40 per tree	
- non bearing "	(e) 9-80	per tree	
	(d)	7-00 per tree	
Banana	-27 cents per newly planted sucker		
	80 cents per bearing stem		
Papaw	-per non bearing tree		
	\$ 1.30 per bearing tree		

Pineapple	-3 cents per newly planted sucker
	-35 cents per bearing plant
Sugar cane	-3 cents per newly planted set
	-8 cents per mature stalk
Sago palm	-\$5 per mature palm
" "	-\$1 per Immature palm

4. COMMERCIAL TREE CROPS

Cocoa, well maintained and bearing \$3.00 per tree

" " " " non bearing \$1.00 per tree

(subject to a maximum in both cases of \$990 per hectare)

Cocoa, poorly maintained and bearing \$1.00 per tree

" " " " bearing \$1.00 per tree

(subject to a maximum in both cases of \$247 per hectare)

COCONUTS

Non bearing	\$SI	Over 40 years	
6-40 yrs			
Hybrid-well maintained	(e) 5.00	14.00	8.70
Rennell-well maintained	4.00	11.20	6.80
Local tall well maintained	3.60	10.30	6.20
FMS well maintained	3.20	9.20	5.60
All varieties-poorly			
maintained	(f) 2.10	6.10	3.70
Poorly maintained subject to			
a maximum per hectare	330.00	965.00	586.00

5. COMMERCIAL FIELD CROPS

Chillie (Tabasco)	9 cents per plant
Chillie (Long red)	5 cents per plant
(Subject to a maximum of \$494 per hectare for Tabasco and \$247 per hectare for long red).	
Tumeric	2 cents per plant
(Subject to a maximum of \$173 per hectare)	
Pasture improved \$125 per hectare.	
Pasture unimproved \$40 per hectare.	

6. NOTES:

- (a) Plants purchased i.e. budded, improved variety
- (b) Plants locally grown from seed
- (c) Plants properly spaced and maintained
- (d) Random planting
- (e) 'Well maintained' means coconut palms planted at a recommended density and well brushed or grazed.
- (f) 'Poorly maintained' means overgrown palms in very poorly condition or randomly planted, self-sown palms at densities other than those recommended.

SCHEDULE F

CALCULATION OF ROYALTY PAYABLE TO LANDOWNERS

The rate of royalty payable by the Company to landowners shall be calculated monthly in relation to average sale price, derived as specified in clause of this agreement.

The rate of royalty payable shall be a per centage of the average sale price.

The basic rate of royalty shall be 121/2 percent when the average sale price amounts to S.I. \$150' per cubic metre.

When the average sale price exceeds S.I. \$50 per cubic metre or drops below S.I. \$150 per cubic metre, the royalty shall be increased or reduced by 2 per cent for every movement of \$5 subject to an overall minimum royalty of 71/2 per cent and a maximum of 171/2 per cent, as illustrated in the following table:-

	Average Sale Price	Percentage Royalty	Actual Royalty
	35	7 1/2%	2.63
	40	8 1/2%	3.40
	45	10 1/2%	4.73
Basic Royalty	50	12 1/2%	6.25
	55	14 1/2	7.98
	60	16 1/2%	9.90
	65	17 1/2%	11.38
	70	17 1/2%	12.25
	75	17 1/2%	13.13

SCHEDULE G

BRERETON SCALING

AS IN OTHER METHODS OF LOG VOLUME SCALING, THE BRERETON METHOD REQUIRES THE LENGTH OF THE LOG TO BE MEASURED, AND A DIAMETER TO BE ARRIVED AT BY THE FOLLOWING METHOD, SO THAT THE TWO MEASUREMENTS MAY BE TOGETHER USED TO READ OFF THE VOLUME OF THE LOG TO THE DESIRED NUMBER OF DECIMAL PLACES FROM A BOOK OF LOG VOLUME TABLES.

METRIC FIGURES ARE TO BE USED THROUGHOUT.

LENGTH

The length of a log is measured by tape or measuring stick. A tape is generally found to be more accurate and practical and is thus preferred. All tapes used should first be checked against an acceptable standard and faulty tapes destroyed.

All logs before measuring should have properly bucked ends. This means in practice, for log export, that each end must be cut so its cross section face occurs at an angle not less than 80° to the central log axis.

The length of a log is taken as the shortest distance between slovens, where they occur at each end.

Log length is measured in whole decimetres along a straight line, passing through the central axis of the log except where gross kinks occur, gross kinks should be docked off where they occur at either or both ends.

The length is thus measured in whole metres and decimals, to the nearest 10 centimetres (or, decimetre) down:

7.32 becomes 7.3m

7.39 becomes 7.3m

No Trim Allowance will be made

For export purposes it is suggested logs should be de-barked but this, though desirable to minimise rubbish around a sawmill, is not necessary for sawmilling.

DIAMETER

The Brereton Method of log scaling involves a basic change from the Huber Method previously used.

The Huber Method requires an actual centre girth or diameter measurement to be made, by tape measuring the circumference of the centre of the log, and rendering the girth into diameter units by use of a girth/diameter tape.

The Brereton Method on the other hand measures with tape, or ruler, or graduated stick, two diameters at

each end, at right angles to each other, to the whole centimetre down and average the four measurements to arrive at a single diameter for volume calculations.

The centre diameter D , is arrived at thus:

D - d₁ + d₂ + d₃ + d₄ or

.....

2

or

$D = d_1 + d_2 + d_3 + d_4$ (easier for

.....
calculation)

4

calculation)

WHERE D Centre Diameter for volume calculations

d1 = Long diameter at head of log

d2 = Short diameter at head of log

d3 = Long diameter at butt of log

d4 = Short diameter at butt of log

The geometric centre of the log is marked, and the longest diameter measured except where a gross irregularity occurs as in (C) below the actual heart centre is disregarded where it does not coincide with the geometric centre. The second diameter is then measured at right angles to the first, **THROUGH THE GEOMETRIC CENTRE**

It should be noted that neither diameter needs be measured through the actual heart centre of the cross section. Both diameters are measured through the GEOMETRIC CENTRE of the cross section.

All diameters shall be recoded in full centimetres only.

75.3 cms BECOMES 75 cms

75.6 cms BECOMES 75 cms

In measuring markedly irregular cross sections at the bottom/top, which are not truly indicative of the actual volume of the log, an attempt will have to be made, first, to have the bad flanges dressed off (but not excessively so) and second, to estimate a fair cross section to measure, as in diagram below.

VOLUME DETERMINATION

The volume for which royalty and/or export tax is to be calculated is read off from the metric log volume tables (F & TB Canberra) in use throughout Papua New Guinea.

STANDARDS

Measurement tools (tape, stick etc.) must be checked against the authorised standard before use. The standard will be maintained by the Forestry Division MNR. It is intended to circulate a check standard for comparison with departmental and industry tools. A tolerance of 1% error is acceptable.

DATE OF APPLICATION

The date of COMPULSORY SOLE USE of the method is 1.1.83 and as from that date Brereton Scaling is the only acceptable method of diameter measurement.

SCHEDULE H

LOG GRADING RULES

GENERAL INSTRUCTIONS

LOG EXPORT PREPARATION

Logs shall be completely debarked

Logs shall have properly bucked ends. (Not less than 80% perpendicular to the central axis.)

MODE AND SYSTEM OF MEASUREMENT

Logs shall be measured in the Brereton style

Metric system based on the formula

$$V = 0.7854 \times D^2 \times L \quad (0.7854 = 1/4 \pi) \text{ WHY?} \quad \pi = 3.14159$$

$$= 3.1416$$

$$V = \text{VOLUME IN CUBIC METRES} \quad 22 = 3.1428$$

$$D = \text{DIAMETER IN CENTIMETERS} \quad 7$$

$$L = \text{LENGTH IN METRES}$$

Two diameter measurements shall be taken under bark at each log end perpendicular to each other (at both ends) and the final recorded diameter shall be the average of the averages.

$$D = 1/2 (D_1 + D_2) + 1/2 (D_3 + D_4)$$

$$2$$

Diameters shall be recorded to the lower full odd or even centimetre.

Lengths shall be measured along a straight line passing through the central axis of the log from the centre of the top diameter to the center of the butt diameter, to the lower full odd or even decimetre.

The trimming allowances shall be recorded as an exponent of the recorded length. Example:

$4.0^9, 4.1^8, 6.2^7, 8.1^6, 3.8^5, 5.1^4, 4.6^3, 4.8^2, 5.6^1$ etc.

IDENTIFICATION AND CLASSIFICATION

Logs shall be identified and classified according to their established/accepted trade names in the

respective country of origin in accordance with agreed classification/equivalent by colour, species and form of bole or grouping.

VOLUME DETERMINATION

The volume of individual logs shall be determined from standard volume tables computer based on the volume of a cylinder carried to the nearest three decimal digits.

Volume of trimming allowance shall be excluded.

No deduction for defects of any kind on a log of any grade shall be made.

The volume of defects as determined and expressed in per cent shall be used solely for establishing soundness and grade of the log.

MARKING

Each log shall bear at one end the imprint of the officially registered log inspectors making hatchet or hammermark.

Each log shall bear at the exposed surface a corresponding serial number, grade mark, species and shippers mark, in bold letters with paint the sizes of which shall not be less than 6 centimetres wide.

PERMISSIBLE ERRORS. A scaling discrepancy not exceeding (plus or minus) 1.5% of the gross volume or not exceeding (plus or minus) 1.5% of the grade based on the number of places inspected for a given shipment shall be allowed, whichever be the less.

DEFINITION

The term "FRESH CUT" as used in these rules shall mean logs with sound sapwood, free from teredo, large and deep grub or wormholes (lobang pusing included), marine shell (barnacles) and fruiting bodies (fungi).

The terms "CYLINDRICAL" and "NEARLY CYLINDRICAL" as used in these rules shall mean, respectively, the 80% and the 70% ratio of the shortest and the longest top end diameter of each log.

PROHIBITION-There shall be no prohibition on the shipper to improve the quality of any log shipped at the time of or during the inspection/grading insofar as the individual log is concerned. This may be in the form of improved trimming, surface scrubbing and the attachment of gang nail plates, S-Iron cleats or other methods to prevent degrade due to splits.

SUBSTITUTION/REPLACEMENT-No substitution of pieces shall be allowed after grading.

Replacement may, however, be made in the case of sunken logs with equivalent grade and volume.

GRADING/INSPECTION

The grading/inspection conducted by an authorised log inspector shall be final.

STANDARD DEFECTS AND EQUIVALENT UNITS

Standard Knot

One sound knot over 1 centimetre up to 6 centimetres in diameter for every 2 meter log length with interval between knots not less than 2 metres: or equivalent, are equal to 1 Unit.

One sound knot over 1 centimetre up to 6 centimetres in diameter for every 2 metre log length with interval between knots not less than 1.5 metres; or equivalent, are equal to 2 Units.

Two sound knots over 1 centimetre up to 6 centimetres in diameter for every 2 metre log length with interval between knots not less than 5 metre; or equivalent, are equal to 4 Units.

Sound knots up to 1 centimetre in diameter will be ignored.

STANDARD BORER, SHOT AND PIN HOLES

Any concentration of pinholes of more than 15 up to 30 in a square of 235 mm for each such square 1/4 Units.

For each additional 15 holes in a square of 124 mm x 125 mm 1/4 Units.

Over 3 and up to 10 shotholes in each 3 metres log length scattered on the surface of the log but not extending beyond the sapwood 1 Unit.

For each additional 10 holes in each 3 metre log length 1 Unit.

One large borehole in each 3 metre log length 1 Unit

For each additional 2 holes in each 3 metre log length 1 Unit.

Small boreholes scattered on the surface of the log but nowhere in a square of 125 mm x 125 mm will be ignored.

Up to 3 medium boreholes scattered on the surface of the log but not extending beyond the depth of the sapwood for each 3 metre log length will be ignored.

STANDARD SPLIT

One or two splits with a total length of up to 10% of the length of the log, are equal to 2 Units.

One or two splits with a total length over 10% up to 20% of the length of the log, are equal to 2 Units.

Two or three splits with a total length of the two longest splits over 20% up to 40% of the length of the log, are equal to 3 Units.

Three or more splits with a total length of the two longest splits over 40% of the length of the log are equal to 4 Units.

STANDARD BEND

One bend with a deviation of 10% shortest log end diameter is equal to 1 Unit

One bend with a deviation over 10% up to 20% shortest log end diameter is equal to 2 Units.

One or two bends with a total deviation of 30% shortest log end diameter are equal to 3 Units.

One or two bends with a total deviation or 40% shortest log end diameter are equal to 4 Units.

PEELER LOG GRADES

Diameter 50 centimeters or larger, length 2.5 metres or longer.

Shall be fresh cut, cylindrical, reasonably straight grained with properly bucked ends.

Heart may be off centre but shall be within 1/4 of the average log diameter;

May admit one unit of standard knot;

May admit one unit of standard borer, shot and pinholes;

May admit one unit of standard split; and

May admit one unit of standard bend.

This grade may admit logs with discolored but sound sapwood.

STANDARD PEELER GRADE (SP. 2)

Diameter 50 centimetres or larger, length 2.5 metres or longer.

Shall be fresh cut, cylindrical, reasonably straight grained with properly bucked ends.

Heart may be off centre, but shall be within 1/3 of the average log diameter. Logs may admit piped heart or small centre hole with clean and firm edges, cut or ring shake, brash/brittle heart or heart checks, provided confirmed within a circle centered on the pith not exceeding 15 centimetres in diameter and the log shall be sound enough to provide secure anchorage for lathe spindle and chuck.

May admit 2 units of standard knot;

May admit 2 units of standard borer, shot and pin holes;

May admit 2 units of standard split;

May admit 2 units of standard bend;

This grade may admit logs with discolored but sound sapwood:

May admit logs with few surface checks confined within one quarter of the lateral surface of the piece not exceeding 5 centimetres in depth.

SAWLOG GRADES

PRIME SAWLOG GRADES (SS. 1)

Diameter 50 centimetres or larger, length 2.5 metres or longer.

Shall be fresh cut, nearly cylindrical, and straight grained with properly bucked ends;

Heart may be off centre;

May admit 3 units of standard knot;

May admit 3 units of standard borer, shot and pin holes;

May admit 3 units of standard splits, and

May admit 3 units of standard bend.

This grade may admit logs with discolored but sound sapwood.

The limits of the defect are usually not sharply defined and the affected wood shows no visible sign of decay. Also known as Brash Heart.

BEND-A DEVIATION FROM STRAIGHTNESS

Borer holes-holes in wood caused by insects or their larvae or by marine borers/ marine shells or barnacles. For the purpose of these rules, borer holes are recognized according to kind as follows:-

PIN OR NEEDLE HOLES-Small borer holes not more than 1.5 millimetres in diameter.

SHOT HOLES-Medium borer holes over 1.5 millimetres to 3.0 millimetres in diameter.

GRUB OR WORM HOLES-Larger borer holes, over 3.0 millimetres in diameter.

CUP SHAKE-A separation of the fibres along the annual growth ring of the wood which does not encircle the heart.

CENTRE HOLE-A hole located within a circle centred on the pith of a log.

CYLINDRICAL-To be accepted as cylindrical a log shall have 80% ratio of the shortest and the longest top end diameters.

DISCOLORATION-A stain or variation from the natural colour of the wood, usually caused by sap-stain fungi or by oxidisation.

DEGRADE-Applied to a log that has developed through any cause more defects than were permitted in the original grade of the log.

FRESH CUT-To be accepted as fresh cut a log shall have sound sapwood, free from teredo, large and deep grub or wormholes (lobang pusing included), marine shells (Barnacles) and fruiting bodies (Fungi).

HEART-The central portion of a log including the pith and the adjacent wood which may be defective.

HAIR CHECKS-Are small longitudinal separations near the heart.

KNOT-A portion of a branch which has become embedded in the wood by the natural growth of the tree. The cross section of a knot is usually circular or oval in shape and is measured by taking the mean of the longest and shortest diameter.

NEARLY CYLINDRICAL-To be accepted as nearly cylindrical a log shall have 70% ratio of the shortest and the longest top end diameter.

PIPED HEART-Heart with hollow pith.

PROPERLY BUCKED ENDS-The ends of the logs shall be cut flat at an angle of not less than 80° to the axis of the log.

RING SHAKE-A separation of the fibres along the annual growth ring of the wood which almost or completely encircles the pith/heart. Also known as round shake.

STRAIGHT GRAIN-The principal wood cells or fibres running fairly parallel to the axis of the log.

SPLIT-A separation of the fibres of the wood along the grain developing on the surface.

SAP WOOD-Outermost layers of wood in a log which in the growing tree contain living cells, which are engaged in sap conduction and food storage.

SOUND KNOT-A tight knot free from decay, solid across its face and at least as hard as the surrounding wood.

BUTT-The lower portion of a log.

TOP-The higher portion of a log.

Any log in this grade must scale at least 75% sound.

STANDARD SAWLOG GRADE (SS.2)

Diameter 40 centimetres or larger; length 2.0 metres or longer and scaling not less than 60% sound;

This grade shall admit any log which does not meet the specifications of at least prime sawlog grade.

LOW SAWLOG GRADE (SS.3)

Diameter 30 centimetres or large; length 2.0 metres or longer and scaling not less than 50% sound.

This grade shall admit any log which does not meet the specifications of at least standard sawlog grade.

SAWABLE LOW GRADE (SS.4)

Length 2.0 metres or longer; scaling not less than 40% sound;

This grade shall admit any log which does not meet the specifications of at least low sawlog grade.

SHORT LOGS (SS.5)

This grade shall admit any log shorter than 2.0 metres long and is considered sawable.

CHIPWOOD

CHIPWOOD (SC)

This grade shall admit any log not covered by any of the foregoing grades.

Definitions of defects and terms used in the rules.

SCHEDULE I

OVERALL CONDITIONS TO BE IMPOSED ON COMPANY AS A PRECONDITION FOR ANY
LOGGING IN SOLOMON ISLANDS

To be implemented either:-

- (a) By way of conditions in the Licence issued to..... by MNL
- (b) By an SI Govt/ formal ag

The following matters should be provided for or made legally binding:

(1) LICENCED AREA

The licensed area shall be restricted to.....
only in the first instance. Other areas can be considered later once the
Company has established itself and shown how it will perform.

(2) OPERATION PLAN

The Company shall be required to produce a general 5 year operation
plan and a specific yearly plan thereafter for the duration of the
operation, covering road development and the phasing of its logging and
other operations to the Province and MNR for approval before it
commences logging.

(3) FORM OF AGREEMENT WITH LANDOWNERS

All
agreements between the Co. and landowners shall be made on the
approved standard agreement form.....

18 Exclusion of species, 21 Reafforestation, 29 Wages & conditions, 31
Royalty (percentage only, new method of assessment) 34 Method of
Payment.

(4) NEGOTIATIONS

The Licence shall require the Company to observe the following procedure when negotiating any agreements with landowners. (after the completion of Form II by the Area Council)

(a) Copies of the 5 years plan and road plan to be made available to each land holding group before negotiations commence for any particular area.

(b) A preliminary meeting shall be held by the company with representatives from Forestry Division and the Province present. The company will explain its plans for the area and intended timing, and the terms and conditions proposed. No agreement may be signed at this stage.

(c) Notices and maps shall be published at important places in the area for 2 months advising people of the plans, date and place for negotiating the agreement.

(d) On the specified date the Company shall negotiate with the chosen representatives of the landowners in public, with legal advisor to the landowners and representatives of the Province and Forestry Division present as observers. If agreement is reached, the Company and not less than 5 representatives chosen by the landowners shall sign an agreement in the approved form with such insertions, deletions or additions as the two side agree but see 3. shall in accordance with the Company's licence and the standard agreement Form It shall be

ALTITUDE RESTRICTION

It shall be a condition of the Licence that no felling or logging shall take place above 400 metres except on any plateaus or level land for which specific prior approval has been granted in writing by the Commissioner of Forest Resources after his consultation with the landowners.

ENFORCEMENT

The Minister of Natural Resources shall appoint all Government Forestry Officers and Inspectors for the purposes of enforcement of the provisions of the River Waters Act.

The Ministry of Natural Resources will need to consent to Forestry Officers assisting landowners to check on measurements of logs and assist landowners to monitor the Company's performance of its obligations under the logging agreements.

LEGAL ADVICE & ASSISTANCE WITH TRUST A/Cs

The Public Solicitor's Office will need to consent to assist landowners (a) in negotiations, (b) in serving enforcement notices or court proceedings arising from the agreements and (c) in assisting landowners to set up trustee bank accounts and to act as a mandatory signatory for any withdrawals from such accounts to ensure they are for approved purposes.

STANDARD LOGGING AGREEMENT-CUSTOMARY LAND

This agreement is made between

of

(the grantor) and

of

of

of

of

being the chosen representatives (the grantees) of the

Clan/line acting on behalf of the said clan/line.

THE FOREST RESOURCES AND TIMBER UTILISATION (APPEALS) REGULATIONS

(*Section 44*)

[5th April 1985]

1. These Regulations may be cited as the Forest Resources and Timber Utilisation (Appeals) Regulations 1985 and shall come into operation on the day after they are published in the Solomon Islands Gazette and shall apply to all appeals to a Customary Land Appeal Court under Section 10 of the Act pending at that time or thereafter.

2. All appeals under section 10 of the Act shall be by way of public enquiry.

3.-(a) When the clerk to any customary land appeal court has-

(i) received an appeal under section 10 of the Act;

(ii) received the prescribed fee (which shall be that prescribed for appeals to the Customary Land Appeal Court

under the Land and Titles Act);

(iii) given notice of the lodging of an appeal through the appropriate Government as provided by section 10(3) of the Act,

he shall give public notice to all persons claiming any timber rights over the area that an enquiry may be held.

(b) Such notice shall be given by at least two separate announcements on S.I.B.C. and by such other means as the clerk may think fit.

(c) Every notice shall include a warning that all persons claiming any such rights must do so in writing within one month.

4. One month after the second or last announcement on S.I. B.C., the clerk shall assess the probable cost of a public enquiry ("the sum required") and require the applicant for acquisition of timber rights under section 7(1) of the Act ("the timber operator") to deposit the sum required with him as security within three months.

5. If the timber operator deposits the sum required, the clerk shall arrange for a public enquiry to be held before the customary land appeal court. Reasonable notice of the enquiry (by announcement on S.I.B.C. and in writing) shall be given to-

(a) the appellant;

(b) those persons named by the area council in the certificate given under section 9 of the Act ("the respondents");

(c) any persons who have made a claim in writing under regulation 3 (a) (iii) of these Regulations ("the claimants");

(d) the timber operator.

All persons to whom notice is given shall be entitled to take part in the enquiry, and whether they do so or not, the customary land appeal court may in its discretion order any of them (having due regard to his means, including any profit he stands to make after the enquiry is concluded) to pay the costs of the enquiry.

6. If the timber operator fails to deposit the sum required, the clerk shall

give notice to each of the appellants in succession that he may do so within one month. If any of the appellants deposits the sum required, the clerk shall proceed with a public enquiry as provided by regulation 5.

7. If none of the appellants deposits the sum required, the clerk shall give notice to each of the claimants in succession that he may do so within one month. If any of the claimants deposits the sum required, the clerk shall proceed with a public enquiry as provided by regulation 5.

8. If none of the claimants deposits the sum required, the clerk shall give notice to each of the respondents in succession that he may do so within one month. If any of the respondents deposits the sum required, the clerk shall proceed with a public enquiry as provided by regulation 5.

9. If none of the respondents deposits the sum required, the appeal shall stand adjourned generally. At any time thereafter the timber operator or any of the appellants, claimants or respondents may deposit the sum required and apply to the clerk in writing for a public enquiry as provided by regulation 5. The clerk may proceed to hold a public enquiry, or, if he considers the sum required is no longer enough to cover the probable cost of an enquiry, he may require a further sum.

THE FOREST RESOURCES AND TIMBER UTILISATION
(FEES) REGULATIONS

(*Section 44*)

[1st May 1988]

1. These Regulations may be cited as the Forest Resources and Timber Utilisation (Fees) Regulations.

2. These Regulations shall commence on 1st May, 1988.

3. The fee specified in the right-hand column of the Schedule is payable in respect of the matter specified opposite the fee in the left-hand column of the Schedule. Fees

4. All applications for the grant or renewal of a licence or permit under sections 5, 18, 19 or 28 of the Act pending before the Commissioner of Forest Resources at the date of commencement of these Regulations

shall continue good and valid and shall be deemed to have been made under and in accordance with these Regulations.

5. All licences and permits granted, issued or renewed under sections 5, 18, 19 or 28 and which are valid at the date of commencement of these Regulations shall continue good and valid until they are cancelled or until their period of validity expires.

SCHEDULE

MATTER FOR WHICH FEE IS PAYABLE	FEE
1. Application for a grant or renewal of licence under section 5 of the Act	\$100.00
2. Grant or renewal of licence under section 5 of the Act	2000
3. Application for a grant or renewal of licence under section 18 of the Act	50.00
4. Grant or renewal of licence under section 18 of the Act	100.00
5. Application for a grant or renewal of permit under section 19 of the Act	100.00
6. Grant or renewal of permit under section 19 of the Act	1000
7. Application for a grant or renewal of a permit under section 28 of the Act	100.00
8. Grant or renewal of permit under section 28 of the Act	1000.00

THE FOREST RESOURCES AND TIMBER UTILISATION (PROTECTED SPECIES) REGULATIONS

(Section 44)

[6th July 1990]

1. These Regulations may be cited as the Forest Resources and Timber Utilisation (Protected Species) Regulations.

2. The following species are protected and shall not be felled or removed from any land for purposes of sale, unless such felling or removal is expressly authorised by a licence granted under the Act-

Mangrove -*Rhizophora spp.* and all other mangrove species

Ebony -*Diospyros spp.*

Ngali nut -*Canarium indicum*

3. The following species shall not be exported in an unprocessed form unless such export is expressly authorised by a licence granted under this Act-

Rosewood -*Pterocarpus indicus*

Ironwood -*Instia bijuga*

Kauri -*Agathis macrophylla*

Walnut -*Dracontomelum vitiense*

Canoe Tree -*Gmelina moluccana*

-*Canarium spp.*

Rattan -*Calamus spp.*